THE FINANCIAL POST
OF CANADA

The Canadian Newspaper for Investors

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SHELL ORDERS NOT FORTHCOMING; THOUSANDS OF WORKMEN MUST BE ABSORBED BY COUNTRY

It is Clear That Munition Industry is Now Reaching End in Canada.

CAN WORK BE FOUND FOR 100,000 MEN ?

Situation is Serious, But No Apprehension is Felt by Industrial Leaders—Industry Can Absorb the Men Thrown Out of Shell Making, But Their Earning Power Will be Curtailed—Reasons That Are Given for Cessation of Orders.

IT is now clear that the munition industry in Canada is reaching an end and business must readjust itself to the conditions which will arise. That shell-making has been tapering off is not entirely news to those who have been watching the situation, but recent developments have upset most calculations, and the present outlook cannot be viewed without some degree of apprehension.

The munition manufactures have felt evidences of the gradual closure in shell orders and have been reducing their staffs. One of the largest plants has already dispensed with 1,200 hands. It is now definite that, in many lines at least, there are to be no new orders and the probabilities are that the number of workers released from munition plants during the fall will be very large. Are the needs of normal business sufficient to bring about the absorption of this labor?

It is not possible to make a clear cut statement on the shell situation, as the Munitions Board at Ottawa has refused so far to make an official announcement. It is affirmed, however, that contracts are not being renewed in a large number of cases. Some manufacturers have recently received new orders, and are in a position to keep busy indefinitely, but they are engaged in the manufacture of the larger shells. An explanation received from one quarter is that the manufacture of the larger shells only is to be continued.

The ostensible reason is that there are large supplies ahead which have not yet been shipped overseas. It is learned in one quarter that the present available supply cannot be cleared out in less than six months with the present shipping facilities. This fact, coupled with the probable desire of the British Government to draw their supplies as largely as possible from British sources, is sufficient to account for the cessation of orders placed in this country. The Ottawa correspondent of THE POST reports that munition operations in Britain have been developed to such a stage that the country is now practically in a position to supply all needs in that respect. It must further be borne in mind that the Mother Country is bound to produce at home all munitions and war supplies possible in order to protect herself from sending gold out of the country. It is learned from a thoroughly reliable, but not official, source, that the British Government will not place more orders unless they can be financed entirely by Canada..

The Canadian Government is certainly not in a position to finance orders on the big scale of the last two years.

What It Means.

The result will almost certainly be that the bulk of shell-making will be discontinued within the next few months. It is estimated that there are 200,000 people engaged either in the actual making of shells or in subsidiary industries such as the manufacture of special machine tools. On a conservative estimate there are 100,000 engaged directly in the shell work. It is difficult to get accurate figures with reference to the wages paid, but, again, on a conservative estimate the average wage paid would be $30 a week.

If there are 100,000 workers released from munition work—and it is quite within the probabilities to suggest this figure—the amount of money in point of wages temporarily cut off would be $3,000,000 a week. This is a serious prospect.

Are the demands of ordinary business sufficient to absorb 100,000 wage earners this fall and to replace the three million weekly that otherwise would have to be subtracted from the buying power of the public? It seems to be the general opinion that work can be found for all who are thrown out of the shell-making, but it is positive that in the very large bulk lower wages will have to be accepted. The machine man who has been making, say, $50 a week on piece work, may have to go back to $25. The normal industry of the country is in a prosperous condition and can afford to pay good wages, but it is not to be expected that the boom wages of the munition industry can be maintained in every degree.

Men Can Be Absorbed.

THE FINANCIAL POST finds that among the heads of banks and of large corporations the situation is estimated at its full gravity, but that there is no tendency to feel panicky in any degree. It is felt that the men can be absorbed, particularly if the munition work tapers off gradually. At the present time there is a big demand for labor, both in industry and on the farm. It is recognized, of course, that the absorption of munition workers will be accompanied by a lowering of wage-earning powers that will inevitably have some effect on business. If the amount of wages paid out weekly in the country is reduced by, say, one million dollars, business is bound to show the effects.

Among big business men, however, this is not regarded as entirely an unmixed evil. The readjustment was bound to come some time, and it seems likely that it can be brought about more gradually now than later. Business is in a better position to now absorb the munition worker than later, and, generally, the readjustment that now seems inevitable is coming at a time when the country is in the very best position to handle it. Any effect of a detrimental nature will, it is believed, be from reduced earning power and not from unemployment.

Will Stimulate Recruiting.

One effect that the cessation of war orders is certain to have is a stimulation of recruiting. Young men who have been engaged in munition work will now feel called upon to join the colors. If the process of absorption is at all slow, entailing any lengthy term of unemployment, the stimulus to recruiting would be very marked indeed.

It May be Temporary.

There is the possibility, of course, that the situation may be temporary. It is not conceivable that, if the war continued for a year or more, Canadian aid in the manufacture of shells could be dispensed with. It is possible that, when the present supply has been reduced by overseas shipments, more orders may be placed. There is no surety of this, however, at the present time and the country must be prepared to face the issue with the idea that it is a permanent readjustment.

SITUATION IN U. S.

Crops Are Good And Industry Active.

In his weekly letter Henry Clews gives the following as the main factors in the present business situation in the United States:

A highly profitable harvest for grain, cotton, fruits and vegetables.

A sound financial situation.

Great industrial activity arising from war expenditures of $10,000,000,000 or more.

Steady growth of Government control over industrial movements and prices.

STOP INSURANCE SOLICITATION BY BANK MANAGERS

F. B. Carvell Enters Protest in House of Commons.

CONTENDS PRACTICE UNFAIR

High Bank Officials Assure The Post That the Practice is Being Discouraged and is Not at all General Now.

The question of bank managers engaging privately in the business of writing insurance and using their position as a lever for securing such business in return for the accommodation offered by the bank, was recently under serious consideration in the House of Commons, when F. B. Carvell, M.P., stated 'that he would like to see embodied in the Insurance Bill the principle of an amendment passed by the Banking and Commerce Committee providing that it would constitute a criminal offence for the agent of a bank to engage in the occupation of an insurance agent. Mr. Carvell made particular mention of the Province of New Brunswick, in which he cited one case that "had become a public scandal, wherein an agent of one of the big chartered banks of Canada carried on a private insurance business and practically controlled the entire insurance of a large section of the province. It was impossible to get accommodation from the bank unless all the insurance of the person involved went to the agent of the bank." The effects of such practice are quite evident, he concluded, for in the first place everybody else in the district is driven out of business, and in the above case it was found that people's properties were insured for a great deal more than they could be compelled to pay premiums upon.

In reply to a question as to the number of banks in the district, Mr. Carvell replied that there were no other banks, and that the bank referred to controlled practically all the lumber business, which was the principal business of the community. Confirming his statement, Mr. Carvell mentioned one case of an estate in the Province of New Brunswick on which he had paid insurance "until it would make your head ache if you had to help finance it," as he termed it, owing to the fact that the owners of the estate were in the hands of the bank, and the banker placed the insurance without asking leave of any person.

Mr. Carvell stated that he knew from talks with other members that this condition of affairs existed to some extent in very many parts of Canada and added: "I do not think it is right for a man occupying the position of manager of the bank, who necessarily has certain direct or indirect control over very many people who do business or get accommodation from the bank, to have the right to say to them, either directly or indirectly, or even by inference, 'If I give you the accommodation you require I shall expect you to give me your insurance.' It gives him a very great leverage over the agents of the other insurance companies, and insurance has become a great business in Canada. This is an unjust discrimination. I think the chartered banks of Canada pay their agents pretty good salaries, and if they do not, they should pay salaries large enough so that the agents could get along without depriving other people of a legitimate source of revenue. I think even if there were no cases as extreme as the one to which I have

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RETURNS GROW AS CANADA'S CROPS ARE HARVESTED

An Increase of $8,000,000 in Fall Wheat Values.

WEST WHEAT FIELDS IMPROVE

Crop Very Short in Ontario, Damaged in Nova Scotia—Potatoes Are Yeilding Heavy.

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

Ontario will harvest over $40,000,000 worth of wheat. The West at prevailing estimated averages of 15 bushels in Manitoba, 13 bushels in Saskatchewan, and 20 bushels in Alberta, will thresh over 186,000,000 bushels, making a valuation there of over $420,000,000, which, with the rest of Canada's output of wheat will assure nearly a half billion crop of wheat alone. And this is only one of the crops that mixed agriculture in Canada has to report to. Other baskets are well filled with eggs too.

Harvest at Full.

Harvest is at its full in Eastern Canada. Magnificent crops of spring wheat, oats, mixed grains and rye are in stook. Fall wheat in Ontario is lighter on the ground than for years, although average yields for Canada are good. Peas are a very fair crop. The heavy hay crop is not yet all housed, while corn and root crops are making splendid progress. Potatoes promise heavy returns in all sections of the East, as well as in the west. The only almost complete crop failure is winter apples in Ontario. Nova Scotia had prospects of a million barrels, but a storm this past week has blown off about 20 per cent. of the fruit. But this will not be a big loss, as it looks at this time of the year, as it is nature's way of thinning the fruit. British Columbia also has a good apple crop.

Brighter Outlook in West.

Western Canada wheat fields have a brighter outlook this week, as the grain is filling well and the berry plump. Weather conditions are right so far. It must be noted how well Saskatchewan is coming up as a producer of fall wheat. This province is second to Ontario, with 105,700 acres as against Alberta's 38,000 acres, and Ontario's 656,500 acres.

Fall Wheat 22 Bushels.

Preliminary estimates of the census office place the yields of winter wheat of 1917 at 22 bushels per acre as against 21.5 in 1916 29.41 in 1915, and a 22.4 ten years' average. This is highly encouraging considering the low spots in many Ontario fields. And when we consider the price the farmer will get, the situation brightens materially. An average of $1.53 for fall wheat in 1916, stands against the present quotation of $2.50. This means a total value of $44,640,000 as against $36,108,000 for the 1916 crop of nearly three million bushels more. Thus over $8,000,000 goes to the farm over last year's prices for one crop alone. Ontario's spring wheat crop is bigger than usual, with yields promising to be high.

Fodder and Coarse Grains.

The total yields of hay and clover are placed at 13,379,000 tons for Canada. This has been exceeded only twice, namely in 1916 and 1911. Other crops in the Eastern provinces are decidely encouraging, particularly in potatoes, do we find all that a people could ask. Large acreages, with healthy crop, turning out fine tubers free from disease so far. The potato crop can so far serve as food for Canada, that larger amounts of wheat can be released for export. With America's big corn crop, Canada's splendid hay, roots, potatoes and coarse grains, and her increasing flocks and herds,, in all except hogs, which show a decline of 300,000 below 1916, there ought to be prosperous times in all Canada along with her no small assistance to starving Europe.

Tractor and machinery needs are being called for by farmers all over the East to help out in the labor shortage in the preparations for fall grains. A million acres in Ontario can be easily put in as far as soil conditions go, if labor and machinery are forthcoming.

The Labor Situation.

It is the feeling of members of the Committee of National Resources that the farmers are not making their wants in labor known. The committee say that they can place plenty of men for the harvest rush. Help for four and six months' periods on the farm is more in demand as the farmer cannot tell what weather conditions will affect his transient labor demands. The placing of reliable tractors in all sections of the country for service of the farmers cannot be overdone. The West is also calling loudly for more of them—Saskatchewan and Alberta farmers want harvesters.

Finds Wheat Filling Well.

It is always wonderful how Western grain fields can come back under ordinary conditions. The outlook this week is more promising as the the binders are getting into their work. Miss Hind, who is touring the west, wires THE POST to-day as follows:

Having motored 300 miles through crop in Manitoba during the past week and travelled twice that distance by train, I find conditions decidedly better than anticipated. The feature of the crop is the excellent manner in which even the lightest and driest sections are filling. Heads, as a rule, are shorter than in more normal years, but they are filled to the top with bright, plump kernels. A large percentage of the heads are six rowed, that is, there are three spikelets with three plump grains of wheat where ordinarily there are only two. There is a good deal of late crop, which has been brought forward wonderfully by the showers of the past two weeks, and will yield excellent returns.

The conditions are so uneven that it is next to impossible to make an estimate, but certainly any crop which will yield five bushels to the acre would pay for cutting this season, and there are few crops that will go below eight. Of course, considerable areas of wheat have been plowed down in some sections so at present it would be impossible to say just what acreage will not be cut. It may run from 5 to 6 per cent. of seeded

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SMALLER BONDS RECOMMENDED BY BOND DEALERS

Association Lays Plans For Direction of War Loans.

TEN CERTIFICATES FAVORED

Organization Work Planned to Assist in Floating Future Loans—Sub-Committees Are to be Formed.

Special to THE POST.

Montreal, Aug. 17.—The recommendations of the Canadian Bond Dealers' Association in connection with future war financing will probably include one favoring the formation of a central committee, which would direct the loan campaign along broad lines, with the assistance of sub-committees in different centres throughout the country. The central committee would be a representative group, with members from the banks, bond houses, stock exchange houses, insurance offices, manufacturing interests, the farming community, etc. The more representative this committee is, the easier it will be to get in touch with every branch of business activity in Canada. The central committee could have sub-committees devoted to special matters, such as publicity, and these would co-operate with sub-committees appointed in different centres throughout the country.

Small Denomination Bonds.

Another recommendation will probably favor the issuing of bonds of very small denominations. The $50 bond was not considered too small for the United States Liberty Loan, and should not be too small for a Canadian loan. The result in the United States was that nearly four million people participated in the loan. The idea should be carried still farther, in the opinion of the majority of the dealers, with the issue of $10 participation certificates, which would entitle the purchaser, when he had five

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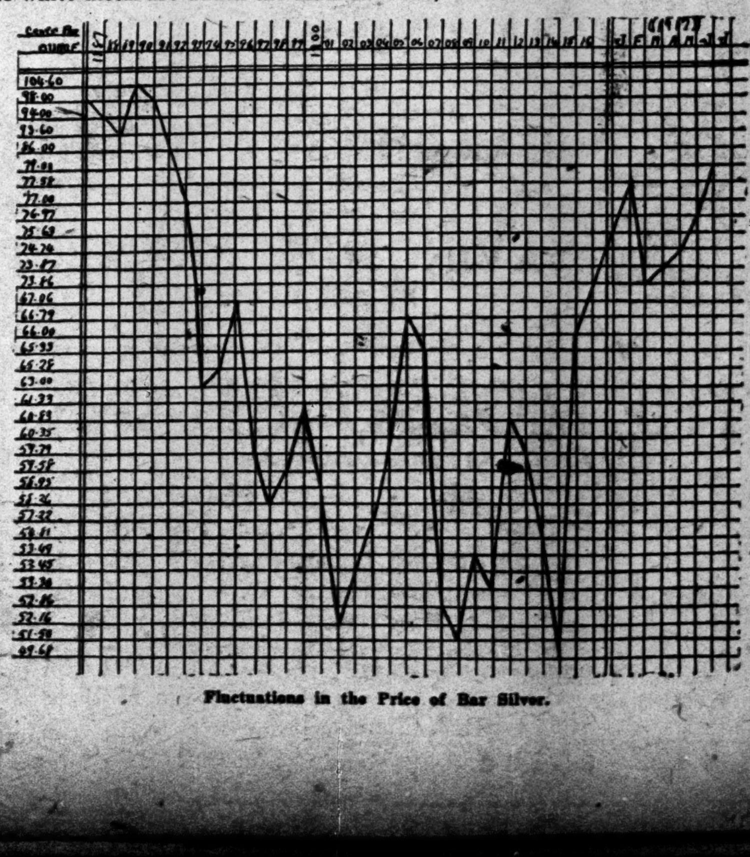
BAR SILVER REACHES NEW HIGH POINT

Wednesday's Advance to 86¾ Cents an Ounce Carries the Price to a Level Not Touched Since 1892.

The advance in the price of bar silver from 83¾c on Tuesday, to 86¾c on Wednesday, has been one of the market sensations of the week. Not since 1892, when silver was quoted at 86 cents, has the price been as high. Prior to that year the average price rose considerably higher, touching $1.04 in 1890, but in no year since, has anything like the present price been reached. Those who predict dollar silver look for a further advance at an early date.

The high prices now prevailing for the white metal are due in the main to the steady increase in the demand, coupled with a restriction in the supply. It is reported, for instance, that from now on the silver coinage of the United States Government will be at the rate of $30,000,000 a month, and that the United States troops will be paid in this coinage. Further than that, the French and British Governments have been buying heavily for a similar purpose.

The accompanying chart shows how the average price of the metal has fluctuated from 1887 down to June, 1917.



Fluctuations in the Price of Bar Silver.

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Paid-up Capital .... $ 7,000,000
Reserve Fund and Undivided Profits 7,421,292
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Subscribed Capital $111,677,782.94
Paid-up Capital 23,266,202.34
Reserve Fund 19,466,400.00
Deposits (31st Dec., 1916) $849,809,215.41
Cash Reserve 233,468,740.28

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NEWS OF SECURITIES—Very Little Activity

STEEL

Hot Weather Affects Munition Steel Output—Labor Situation Normal—Stock Market Prices Steady

By P. BAIN, M.E.,
Editor, Canadian Machinery.

An interesting feature of the Canadian steel situation during the present week has been the intimation by the Imperial Munitions Board to producers that for the present month shipments to the trade must be of secondary consideration because those of shell steel are running behind schedule. The latter circumstance is of course due to the prevailing hot weather at this season of the year, which militates against maximum output on the part of the men employed in the mills. Taken in conjunction with the U. S. embargo, which went into effect on the 15th of the month, the position of consumers requiring more or less immediate delivery, is by no means an enviable one.

Price fixing by the American Government is still under consideration, and, judging by appearances, the undertaking is becoming all the time more impossible. Something approaching two months has now elapsed since the propaganda was inaugurated, and the principal result to date has been the dislocation of the market. In the latter, the tendency has been towards a downward readjustment of prices, and doubtless this will be so accentuated in the near future that the much talked of "fixing" will be forestalled and therefore be unnecessary.

The curtailment of finished shell production in Canada has so far had but little effect on the labor situation, which goes to show that a great majority of the metal-working plants have been taking time by the forelock in the introduction of other lines of product. It has always been our view that a grossly exaggerated estimate of the number of men employed in munitions making existed, and does still exist, and that meantime it would be more correct to rate the constituent in terms of thousands instead of by hundreds of thousands as seems to be the rule.

The impetus given steel shipbuilding in Canada has been the means of absorbing much of the overflow help from munitions making, besides creating new opportunities for craftsmen who are not directly involved in that industry. We do not look to see unemployment develop to any great extent as a result of even the complete cessation of munitions machining, steel shipbuilding and its allied industries for the next five years at least, being of such proportions as to need all the help—skilled and otherwise that may be procurable.

Aside from a flurry in "Scotia," the Canadian stock markets have been quietly steady during the week, being largely influenced by New York in this respect. Uncertainty regarding steel prices, and the taking advantage of peace talk without contureness, have been contributory factors in the apathy displayed by operators in stocks.

	Close, Aug. 9	Close, Aug. 16	Change
Can. Car, com....	31¾	31	+ ¾
Do., pref.	69	69	..
Can. Loco., com..	63	61½	— 1½
Gen. Elec., com...	103	103	..
Dom. Bridge	144½	146	+ 1½
Lom. Iron, pref...	92	90½	— 1½
Dom. Steel	61½	61½	..
N.S. Steel, com...	101	104½	+ 3½
Do., pref.	105	110	+ 5
Nat. Steel Car...	11	8	— 3
Can. Forgings	170	170	..
Steel of Can., com	58	58	..
Do., pref.	91⅜	90½	— ⅞
Rus. Motor, pref.	112	111¼	— ¾

CANADIAN LOCOMOTIVE CO.

The near approach of the annual meeting of the Canadian Locomotive Co. has contributed nothing to the market activity of the stocks, which leads to the belief that the present management is safely entrenched as regards control, and that the opposition is quite well aware of the fact. Scattered sales of the common have taken place around 62.

CANADIAN CAR & FOUNDRY CO.

The prevailing dulness of steel stocks generally has been reflected in Car & Foundry, trading being of the most restricted nature. Stockholders appear to have made up their minds that the present year will show greatly improved returns from contracts on the books and anticipated, hence higher market values for their capital investment; the public, on the other hand, seem to have adopted a waiting policy, until at least evidences of the company's financial recuperation become more distinctly marked.

CANADA FOUNDRIES & FORGINGS.

Canada Foundries & Forgings appears to have ceased its activity for the time being, judging by the almost entire absence of trading during the past week. Nothing has developed concerning the splitting of the shares. Plant orders and outputs continue satisfactory.

DOMINION BRIDGE CO.

Nothing has transpired in connection with Dominion Bridge to account for the new high level maintained since last week's close, which lends color to the previously expressed view that advantage was taken of an opportune moment by those most directly interested to place the stock on a price basis more in keeping with its dividend return.

NOVA SCOTIA STEEL & COAL CO.

Of all the steel stocks on the Canadian list, "Scotia" has, during the past week, shown the greatest price movement range. Transactions have been fairly numerous, although the new high price of 110 early in the week shows a loss of 5 points as we go to press. The New York market dealings in the stock have been far and away in excess of those here, which leads to the conclusion that the chief market for "Scotia" will be found there. A New York syndicate having made possible the financing of "Scotia's" requirements by an issue of common stock, may be expected to find a market for same. Its financing looks better every day in the light of restrictions on new issues in the United States.

ALGOMA STEEL CO.

The Algoma Steel Co. has purchased the No. 2 blast furnace of the former Canada Iron Corporation, Midland, Ont., and is having same moved together with its accessory stoves, boilers, etc., to the Soo, a distance of something like 400 miles. Purchase of this unused furnace—a 275-ton stack—was made because it was believed that it could be dismantled and re-built much quicker than a new furnace could be built under existing conditions. The contract for dismantling, removal, re-erection and enlargement of the complete unit is in the hands of Arthur G. McKee & Co., consulting and contracting engineers, Cleveland, Ohio. Needless to say, the additional capacity available when installation is completed will augment materially Algoma's meantime steel output.

NATIONAL STEEL CAR.

The National Steel Car Co. are understood to have recently booked substantial orders for army wagons and trucks for the French Government, and freight cars for the American Government, at prices in each case which will allow of a satisfactory margin of profit. Negotiations with the French Government for re-adjustment of prices on the large delivery of cars made several months ago are expected to be soon completed. Profits for last year depend largely upon this adjustment, so it is unlikely that the financial statement will be forthcoming for some little time. The common and preferred stocks continue inactive accordingly.

CANADIAN STEEL CORPORATION.

Plans have been filed with the Canadian Government by a Windsor, Ont., law firm acting on behalf of the Canadian Steel Corporation for docks to cost $250,000 at the Ojibway, Ont., plant of the latter.

The plans included a marine slip, harbor, docks and wharves. A canal running through the corporation property for 2,500 feet, which will be 200 feet wide and 25 feet deep, will be dredged to accommodate shipping. It is proposed to build docks on the banks of the canal, while another dock a thousand feet long is planned for the river front.

STEEL-MAKING IN NEW ZEALAND.

A company has recently been formed in New Zealand, with a capital of $340,000, with the object of producing iron and steel from magnetic titaniferous iron sand, of which there is a large deposit on the coast at Taranaki, near New Plymouth, where the works are to be erected. The initial plant will be capable of dealing with 70 tons of iron sand weekly, but plans have been drawn up for the installation at a later date of an additional furnace capable of dealing with 200 tons weekly. The production of steel is also contemplated, and it is intended later to form a new company to carry out this development.

STEEL-MAKING IN CHILI.

A steel industry has recently been inaugurated in Chili, a plant, on a small scale, having been put down at Santiago for the purpose of making steel from the old iron formerly exported to Europe, the high price of steel, since the war broke out, being the real cause of the new enterprise. At first great difficulty was experienced in finding workmen, but eventually Spaniards were imported from Bilbao, who instructed the Chilian apprentices under them. There are now over 100 workers employed, and Chilian coal, another form of economy, is used. The products of the mill include bars, plates, tees and angle iron, and there is an immediate market for all that can be produced.

DOMINION STEEL CORPORATION.

Marking time may fitly describe the action of Dominion Steel Corporation stocks during the week. Plant capacity continues taxed to the limit on Imperial Munitions Board orders, and until these are filled or cancelled, in whole or part, little anticipation may be held of the productive side of the enterprise exerting an influence on the market situation. The boosting of "Scotia" in a recently issued circular has had the effect of bringing Dominion Steel into the limelight, as evidenced by a circular on its behalf setting forth the comparative merits, issued by a firm of Montreal brokers. Steel common is a speculative favorite, aside from assets and possibilities, and may be expected to move sharply either way, according to circumstances, as they arise.

STEEL CO. OF CANADA.

In keeping with the lessened general market activity, Steel of Canada stocks have been quiet around last week's closing prices. No curtailment of the various plant outputs has developed, aside from what usually happens during the hot season, and, needless to say, such diminution as meantime prevails is usually overtaken in the immediately succeeding weeks. The technical position of both common and preferred gives evidence of strength not possessed a few weeks ago, judging by the narrow range of current transactions.

PULP AND PAPER

Another Quiet Week Signalized by a Revival of Activity in the Spanish River Issues.

By W. A. CRAICK

If we leave out the rally in Spanish River, the week's business in the pulp and paper issues has been slack enough. There has been nothing to arouse any interest in these securities, and, as in the case of the general market, no revival of any consequence can be looked for until the New York market wakes up. Changes for the week in the principal stocks are as follows:—

	Close, Aug. 9	Close, Aug. 16	Change
Laurentide	175½	173½	+ 2
Riordon	120⅞	121	+ ⅛
Spanish, com. ...	12½	15	+ 2½
Do., pref.	49⅞	50⅜	— ½
Wayagamack	..	..	..
Brompton	47	46½	— ½

A writer in *The Paper Mill* sizes up the outlook in the paper industry as directly favoring higher prices. This view he bases on several considerations. First and foremost comes the labor situation. Men are being drafted out of the United States paper mills by the hundreds and their places cannot be filled. Again, a very serious situation is developing in the matter of the supply of pulpwood. Famine conditions are threatened, due to scarcity of labor and congestion of freight. The coal supply is another factor that must not be overlooked. Combining all these influences, it is hard to see how the price of paper can possibly be reduced.

Business in all lines of the Canadian paper trade, except newsprint, is reported quiet, and it is expected that there will be no material change until after the holiday season is over. In pulp there is a mark-time state of affairs, and prices are a little easier, but they are holding up well, all things considered. Ground wood men are said to be piling rather than accept less than $40 at the mill. They look for a radical change before the end of September, for in a few weeks the acuteness of the pulp wood supply will begin to be felt.

There has been some exporting of Canadian sulphite pulp and what effect the recent removal of the embargo by Sweden will have cannot be told at present, but it is not believed there will be much difference in the situation. Sulphite, news grade, is now quoted at $70 to $80 per ton; bleached at $120 to $125, and easy bleaching from $85 to $90 per ton.

U. S. Consel-General Alfred A. Winslow, reports the following from Auckland:— Because of the shortage and high prices of paper, several newspapers in the different centres of the country have been obliged to suspend, and several others to increase their price—in some cases to double what the charge was before the war. The New Zealand Government has reduced the size of certain of its publications, and is talking of discontinuing others. During the past year Canada has been supplying a very large share of New Zealand's print-paper imports.

The *Wall Street Journal* makes the following comment on the newsprint situation:—

"All through the depression in prices which has featured the paper manufacturing industry during the last four months the price of newsprint has remained firm. The plain facts are that there is to-day in the United States and Canada a shortage of newsprint output. This shortage will be further accentuated in 1918. For this reason and because of the steady advance in cost of production good authorities feel that further advances in price of newsprint must be made when new business for 1918 is signed up.

It is estimated that it is costing the mills of the United States on the average not far from $8 per ton more to make their newsprint this year than last. Some mills will run as low as a $5 additional cost and some as high as $10. But $8 is a conservative average. On the basis of this increased cost the newsprint producers tried to get a $20 per ton advance in paper prices and missed their footing. As a result the selling price for newsprint is infinitely varied and hap-hazard.

On the other hand, most mills are getting prices enough higher to compensate for the increased cost of production. In the case of International Paper its net profits in 1917 will probably be a little under those of 1916 when a balance after interest of $5,120,727, equal to 22.85% on the $22,406,000 preferred, was realized. This year the company ought to earn better than $4,000,000 net for dividends, or say 16% to 18% for the preferred.

On the other hand, the newsprint mills as a group are facing a serious labor situation. The paper makers' unions are combining to demand a six-hour day. This means in effect a four tour instead of a three tour system. It would add 33¼% at once to the labor bill and presumably would effect an increase in the cost of production that the higher selling prices for paper which are in sight for next year would be imperatively needed to offset.

SPANISH RIVER.

Buying of the Spanish River issues was a feature of Wednesday's market both in Montreal and Toronto. The near approach of the publication of the annual statement, with its prospective favorable contents, is taken as reason for the revival of interest in a stock that has long been neglected. The common shares were marked up from 13 to 16¼ and the preferred from 47 to 50⅜. The common later reacted to 15. Though Spanish River affairs are known to be deeply involved, yet such rapid progress is being made towards rehabilitation that even the common is regarded in some quarters as a fair speculative buy.

LAURENTIDE.

After its little burst of activity last week, Laurentide has again relapsed into a state of inaction. No sales have been recorded during the week in Montreal. Probably when the annual statement is made public at the approaching annual meeting renewed interest may be manifested. The last sale took place on Friday of last week at 173½.

RIORDON.

Rather more interest was manifested in Riordon than has been the case for some weeks. The stock has been hovering around 120. At the week-end it was advanced to 121¾, and on Monday to 122. Buying was light and the strong position of the stock is shown by the fact that it required but little demand to push it up a couple of points.

POWELL RIVER.

The Interstate Commerce Commission has decided that the rate on sulphate of alumina in carloads from Wyandotte, Mich., to Powell River, British Columbia, is unreasonable. Reparation is awarded to the Powell River Company, Ltd., manufacturers of news print paper. The complaint was made against the Michigan Central Railroad Company and no defense was made.

RAINY RIVER PULP.

Robert Sweeney, president of the Rainy River Pulp and Paper Company, whose plant is at Port Mellon, B.C., announces that the pulp output of the plant will shortly be doubled and additional equipment installed. Kraft paper is now being made and the outlook for the future is very bright. Mr. Sweeney said that for some time there had been a lull in the pulp market, but the indications were that there was a busy season ahead and the pulp mills in British Columbia would not be able to cope with the demand. All the pulp being manufactured in the province at the present time is being shipped to the United States.

MILLING

One of the Quietest Weeks of the Year for Milling Stocks—Uncertainty Has Prejudicial Effect

By J. L. RUTLEDGE,
Editor Canadian Grocer.

The uncertainty of the milling situation is having a very serious effect on the milling business. For some time past there have been suggestions in the air that the Canadian flour business should be put on a war basis and that a greater percentage of the flour should be milled. Up to the present there has been no definite action taken by the government. The result is of course that the mills uncertain on this point are milling only such quantities of flour as are required to meet immediate demands. This continued uncertainty is having a very detrimental effect on the business, and there is a growing feeling that the government should make some definite pronouncement one way or the other immediately. There is a strong feeling against any change in the constituents of standard flour, as the larger mills feel that it would work a great hardship to them in that the advantage that they have gained by advertising and maintaining the standard of their products would be wiped away if a certain fixed standard were set.

The reports of the grain crop, while none too rosy, are a little more optimistic in tone. It is expected that new wheat will be coming in a very brief time now, and it will be possible to more accurately estimate the probable quality of the crop. Wheat prices show a slight tendency toward as easier feeling, but flour remains firm. The cereal market taking its tone from the flour market, is also quite firm, though the prospect of an exceptionally good crop is having a tendency to a slightly easier feeling in rolled oats. In the corn market the opposite is the case. The probability of a decided scarcity of this product is having a marked effect on the primary markets, which induced an advance of from 75 to $1.00 a bag. All cereals with a corn base, are correspondingly firm.

In the securities market the general quietness in the business conditions is reflected in the stock transactions. It was probably one of the quietest weeks trading of the whole year.

OGILVIE FLOUR.

The trading in the stock of the Ogilvie Flour Milling Company during the past week was of a very light order, with the preferred holding considerably more favor than the common. The trading in the common even at 144, a four-point decline on the last recorded price was exceptionally light and only occurred on one day of the past week. In the preferred there was also only one day's trading, but it was for an advance of two points on the previous figure. The selling figure being 112.

MAPLE LEAF.

The past week was the dullest week in the trading in the Maple Leaf Milling Company stock since early in the year. For no apparent reason business dropped off to practically nothing, not a single transaction being recorded in the common. The preferred showed a somewhat better feeling, a number of shares changing hands for a ¾ point advance at 92¾.

LAKE OF THE WOODS.

The stock of the Lake of the Woods Milling company was the most dormant of all the dormant milling stocks. During the week there was not a sale recorded in either common or preferred. The last sale in the common was at 125 and at 116 for the preferred.

SHREDDED WHEAT.

The stock of the Shredded Wheat company, never to the present a very lively proposition, shared the general quietness, showing no trading for the week. The last sale in the common was at 131 and in the preferred at 95.

LAKE SUPERIOR IRON ORE.

Lake Superior ore shipments in July totalled 10,241,633 tons, exceeding the best previous month's record, in August, 1916, by 391,493 tons. On account of very late opening of navigation on account of the ice, the April and May shipments were less than those of a year earlier, but June and July have made up part of the deficit, and with 26,376,768 tons shipped to August 1st the deficit as compared with last year is only 2,988,956 tons. It is possible that half of this can be made up in the remainder of the season, which would make the year's shipment by water and all-rail about 65,000,000 tons. Recent studies of the situation made in ore and furnace circles indicate that a movement of 60,000,000 tons would probably carry the furnaces safely to the opening of navigation in 1918.

MINING STOCKS

Big Jump in the Price of Bar Silver Brings New Interest Into the Market.

By W. A. CRAICK

Wednesday's three-cent rise in the price of bar silver gave a much-needed impetus to the mining market. On Monday and Tuesday business on the Standard Exchange was at an unusually low ebb, Tuesday's sales dropping to 25,500 shares. On Wednesday, there was an improvement to the extent of 84,495 shares, while on Thursday business was even better. The trading for the week was as follows:

	Transactions, Shares	Silver, Cents
Friday, Aug. 10	56,980	82⅞
Saturday, Aug. 11	*	..
Monday, Aug. 13	33,870	82⅞
Tuesday, Aug. 14	25,500	83¾
Wednesday, Aug. 15...	84,495	86¾
Thursday, Aug. 16....	87,130	86¾

*Exchange closed.

Prices all round have shown improvement, even the gold stocks responding to the better feeling in the silver market. Probably the most notable gain was made by Nipissing, which sold up from $7.70, to $8.10. Other silver issues did as well in proportion. The changes for the week, run as follows:

	Close, Aug. 9	Close, Aug. 16	Change
Adanac	15½	17	+ 1½
Beaver	33½	37	+ 3½
Dome Exten.	15	16	+ 1
Dome Mines	9.90	9.95	+ .05
Hargraves	11¼	11½	+ ¼
Hollinger	4.30	4.40	+ .10
McIntyre	1.49	1.52	+ .03
Nipissing	7.70	8.00	+ .30
Vipond	32	32½	+ ½
Newray	68	70	+ 2
Timiskaming	33	32¼	— ¾
West Dome C....	18	18	—..

About 60 companies and syndicates have been formed in the Kirkland Lake gold area. Two of these companies have installed mills, and are making a success of milling operations. These are the Tough-Oakes and the Teck-Hughes. It is rumored that two others, the Kirkland Lake Gold, and the Lake Shore, are making good. The Wright-Hargraves and La Belle Kirkland are considered probable mines. The total ore reserves at all the mines in the camp do not amount to more than ten per cent. of those of the Hollinger alone. The camp, nevertheless, is destined some day to be a big producer.

A total of nine cars containing 417,082 pounds of ore were shipped by Cobalt companies last week. Ore shipments were:

Shipper.	Cars.	Pounds.
Nipissing	4	262,965
McKinley-Darragh	1	88,522
Dominion Reduction......	1	88,000
La Rose	1	87,885
Timiskaming	1	70,203
Coniagas	1	59,507
Total	9	417,082

Bullion shipments were:

Shipper.	Bars	Ounces	Value
Mining Corp.	148	149,894.95	$131,008.66
Do.	105	108,027.51	94,416.88
Nipissing	89	113,571.73	92,844.85
Total	342	371,494.19	$318,270.39

The once famous district of South Lorrain contains now only two working properties. Mining operations have been discontinued on the Lorrain Consolidated property. The most important operation now going on in this district is that of the Pittsburg Lorrain. About thirty men are employed and a considerable quantity of high grade ore has been bagged. A car load is expected to be shipped before the end of the summer.

The Wettlaufer mine, from which upwards of two million ounces of silver were mined in its brief but spectacular career, is generally considered to be worked out. The Keeley Mine, upon which a pocket of pay ore was discovered at the grass roots, but which failed to yield consistent values, was shortly before the outbreak of the present war optioned to certain English capitalists. These interests asked for and got an extension of time in their agreement until six months after the declaration of peace. Consequently the Keeley has remained in a state of inactivity during the past three years, with very little likelihood of being operated until after the war.

CONSOLIDATED SMELTERS.

The ore receipts at the Trail Smelters' during the past week, with a total of 9,079 tons were the largest returns handled at the smelter for several months. The total for the year is now given as 200,237 tons and the general increase is accounted for by the fact of the more free supply of coke since the settlement of the strike in the Crow's Nest district. Twenty-eight mines contributed to the total of the past week, the chief shippers being the Sullivan mines with 4,537 tons and the Le Roi mines with 2,544 tons. Two new shippers are Cork-Province and the Idaho-Alamo, which together shipped a total of 94 tons. The True Fissure, a Lardeau district property, got into the shipping list for the first time with an initial shipment of fifty tons. The Sullivan mines shipped a total of 1,094 tons in excess of the figure of the preceding week.

McINTYRE.

The failure of the directors of McIntyre to declare the last dividend which in the ordinary course of events should have been announced several days ago, provided the chief interest in the Porcupines during the week. Selling was around $1.50 to $1.51.

PORCUPINE CROWN.

Dividends have been temporarily discontinued by the Porcupine Crown. The directors of the company deemed this advisable owing to the excessive shortage of labor in the Porcupine district, and the difficulty of keeping mine developments ahead of production. It is the intention of the directors to produce just enough to pay expenses. The statement for the half-year ending June 30 is as follows:—

Mining and Operating Account.

Production of bullion........		$245,013.45
General mine expense.........		120,851.79
		$124,179.66

Profit and Loss Account.

By balance January 1, 1917...		$277,084.93
By balance on operations....		124,179.66
By interest		2,080.99
		$403,345.58
—Dr.—		
To dividend, half year........		$120,000.00
To administration and patriotic		5,954.67
To surplus at January 1, 1917.....	$277,084.93	
To added to surplus to June 30, 1917.	305.98	
		277,390.91
		$403,345.58

McKINLEY.

A new oil flotation plant is being erected at the McKinley-Darragh Mine, and is expected to be in full operation within the next few weeks. It is expected that this addition will add considerably to the production at the mine. The company will treat the trailings from the mill which heretofore have been allowed to run into Cobalt Lake. They expect a substantial profit as a result of these treatments.

KIRKLAND LAKE.

The Cobalt Nugget reports that the downward continuation of the main ore body of the Kirkland Lake gold mines has been encountered in the cross-cut at the 700-foot level. It is understood the average gold content of the vein has not been ascertained, but in general appearance the ore bears very close resemblance to that obtaining in the workings at and above the 600-foot level. Provided the ore body is of similar width as determined at the preceding levels it will probably be several days before the south wall is reached, after which it will be possible to determine the average values. The proving of ore at this depth goes to verify the convictions of mining men of the new gold camp that that area will ultimately prove to be a deep mining camp, and, as a consequence, the entire Kirkland Lake field goes up another step on the ladder of fame.

NIPISSING.

Nipissing Mines Co. during July mined ore valued at $272,490. Every ounce of silver produced by this company finds a ready market and with silver prices at their current high level earnings have broken into new high ground.

It costs more to produce silver to-day than a year ago and considerably more than three years ago before war prices boosted supplies and prior to the many wage advances. This naturally has cut down what would otherwise be a rapidly-growing margin of profit.

Although a substantial extra dividend could be comfortably paid the prospective action of Nipissing directors when they meet for disbursement payable in October cannot be forecast at this time. The July dividend amounted to 5% and it would seem as though an extra of at least 5% would be ordered with the next regular disbursement of that amount.

Nipissing will soon pass as an American corporation, for stockholders will meet this month to vote upon the proposition to transfer the charter of the holding concern—Nipissing Mines Co.—from Maine to Canada. This will effect a large saving in taxes.

The bullion recovery at the Nipissing Mines for the year to date is as follows:

January	$172,983
February	271,527
March	256,953
April	259,082
May	261,663
June	269,469
July	272,490
Total	$1,765,167

KERR LAKE.

Production of the Kerr Lake Mining Co. shows a decrease in output for July. This was due to the fact that the crusher was shut down for repairs for several days. The output was 189,392 ounces for July as compared with 233,273 ounces for June.

CANADA COPPER.

At a cost of $2,000,000, the Canada Copper Company which holds the controlling interest in the B. C. Copper Company, will construct a concentrating mill at Copper Mountain, near Princeton in the Similkameen. The initial report of the building of the concentrator stated that the capacity would be 1,000 tons per day instead of 3,000 tons according to the latest announcement. The improvements will also include an hydro-electric power installation and a railroad spur from Princeton to Copper Mountain. General Manager Lachmund states that the mine contains in his estimation, 10,000,000 tons of assured ore and 2,000,000 tons of probable ore according to the statement of qualified engineers. These reserves he values at $54,810,000 based on copper at 25 cents per pound against a production cost of 9½ cents per pound and an extraction of ninety per cent.

INTERNATIONAL NICKEL.

Answering an inquiry as to the effect the new British-American Nickel Corporation may have upon International Nickel, the Wall Street Journal says:

"Mines are not developed over night in the nickel business any more than in copper. Assuming that the new company has good properties, it may be safely estimated that it will be two years before its mills are completed and its mine developed to begin turning out nickel. This new organization has the backing of the British Government, so the necessary money should be forthcoming to investigate its possibilities. So far, the investigations of the various interests which have held options on the property have not disclosed anything very promising. It is particularly striking that while the British Government has taken an interest in it, the Government of Canada, with its great knowledge of the nickel industry, has remained strictly aloof from the deal.

"The new company proposes to use ore running 2½% nickel. The International Nickel Co. does not touch ore containing that small percentage. Ore running 2½% copper is one thing, ore running 2½% nickel is another. Copper ore can be concentrated, but not nickel ore. Therefore, the new concern is going to start in on ore at the place where International Nickel leaves off. It is obvious which company has the advantage.

"Apparently International Nickel will be able to continue for another two years at least to make large earnings for its owners. Probably it will have longer than that before it need concern itself with a new competitor. When considering the matter of competition it should be borne in mind that the International split the price of nickel in two when it went into the business, preferring to sell large quantities at reasonable prices rather than small quantities at high prices. Unless the new company can turn out its metal at lower prices than the International the latter's shareholders are hardly well advised in worrying."

TRANSPORTATION

Canadian Northern Purchase Deal Has Continued to Absorb the Interest of the Market.

The surpassing theme in transportation circles at the present time is, of course, the Canadian Northern purchase proposals. So far as the actual deal is concerned, this is dealt with under the Canadian Northern heading below. Its effect on the general transportation situation is not regarded as inimical. There has been no slump in the securities of the independent roads, and no opposition to the present development appears to have been raised by them. A safeguard will be provided in the Government's determination to place the Intercolonial and other government road under the Railway Board. Such a procedure should at least insure fair competition between the latter and the private corporations. That the principle of the thing is already being attacked by members of the House whose constituencies are served by the I. C. R., on the ground that it will mean increased rates, speaks well for the equity of the plan, and is a free admission of the evils of public ownership. However, the measure is well on its way through Parliament.

Record prosperity for the railroads of the United States is shown in Interstate Commerce Commission returns published this week. The 153 roads covered by the figures, operating three-fourths of the country's mileage, reported that their net revenue increased nearly $88,000,000 over June, 1916, the previous record month, and reached a total of $88,283,329. Operating revenue increased more than $38,000,000 totalling $273,867,527, and expenses were approximately $30,000,000 higher than a year ago.

The greatest increase is shown by western roads, whose operating revenues jumped from $94,000,000 to $110,000,000. Expenses increased approximately $10,000,000, leaving net revenues from operation $39,616,950, or about $6,000,000 more in June, 1916.

Eastern roads show an increase in net revenue of approximately $600,000, totalling $120,865,262, and expenses increased approximately $14,400,000.

In the southern district operating revenue show an increase of more than $7,000,000, reaching $42,719,588. Expenses increased approximately $6,000,000, leaving net revenues $13,494,159, approximately $1,000,000 higher than a year ago.

Preliminary figures covering the first six months of 1917 show an excess of $2,500,000 in net revenues over the record figures of a year ago. This increase was in the face of several unfavorable months during the winter. The returns are interpreted as indicating that the railroads will exceed in 1917 by many millions the banner figures recorded last year.

Total operating revenues of the 153 roads during the first six months were $1,489,248,702, an increase of $163,000,000 over the first six months of 1916. Expenses totalling $1,065,281,720, were approximately $160,500,000 greater than a year ago.

CANADIAN NORTHERN.

For the first week in August the gross earnings of the Canadian Northern Railway System showed a falling off, as compared with the earnings for the corresponding period in 1916, of 10.6 per cent., the figures being $775,000 against $868,000 last year, or a decrease of $92,500. As compared with the figures for the first week in July there is a decrease of $126,800. Comparative figures follow:—

	1917	1916	Inc.	%
July 7....	$ 902,300	$ 885,100	+$17,200	1.9
July 14....	935,600	874,900	+ 60,700	6.9
July 21....	872,100	866,900	+ 5,200	0.6
July 31....	1,134,900	1,207,300	— 72,400	5.9
July	$3,844,900	$3,834,200	+$10,700	.2
Aug. 7.....	775,500	868,000	— 92,500	10.6

From July 1, to August 7, the earnings amounted to $4,620,400 as compared with $4,702,200 for the corresponding period a year ago, a decrease of $81,800.

For the second week in August the gross earnings amounted to $746,800, which is $94,700 smaller than the figures for the second week in August in 1916. This represents a decrease of approximately 12.6 per cent.

The Canadian Northern bill received its second reading this week, being adopted on a straight party vote. Apart from F. B. Carvell's speech in condemnation of the whole principle of government ownership, members debating the measure directed their attention rather to the method of acquisition of the property. The Liberals supported an amendment, introduced by Hon. G. P. Graham, demanding foreclosure, while the Conservatives defended the arbitration idea. Time and again demands were made on the Government to divulge the names of the Canadian Northern shareholders and pledgees of the stock, but no information was forthcoming.

An interesting feature of the week's debate was the tabling of a statement of the affairs of the company up to April 30 last, which showed a substantial surplus of assets over liabilities. The Drayton-Ackworth report had stated that there was no equity in the common stock but, as pointed out by Sir William White, the value of certain lands had been overlooked. The land account showed that the Canadian Northern Railway Company holds 843,127 acres of land in Manitoba and Saskatchewan, 2,000,000 acres in Ontario, and 402,860 acres in Quebec. The land in Saskatchewan is valued at $15 an acre, and that in Ontario and Quebec at $3 an acre. The estimated total value of unsold lands is $19,855,485; deferred payments receivable amount to $7,140,996.59, and cash in hand from lands aggregated $2,408,683.67. The total of land assets of the company is thus $29,405,165.16, against which there are mortgages outstanding to the amount of $21,251,073.33.

The announcement that Sir William Meredith, chief justice of Ontario, would act as representative of the Government on the board of arbitration, has been generally well received.

CANADIAN PACIFIC.

Gross earnings of the Canadian Pacific Railway company for the first week in August amounted to $2,559,000 compared with $2,985,000 for the corresponding period in 1916, a decrease of $426,000 or 14.3 per cent., and as compared with the first week in July when the earnings amounted to $3,101,000, show a decline of $542,000. Following are comparative figures:—

	1917	1916	Inc.	%
July 7..	$3,101,000	$2,616,000	$485,000	18.5
July 14..	2,867,000	2,738,000	129,000	4.7
July 21..	2,950,000	2,641,000	309,000	11.7
July 31..	4,007,000	3,800,000	207,000	5.4
To. July.	$12,925,000	$11,795,000	$1,130,000	9.5
Aug. 7...	2,559,000	2,985,000	*426,000	14.3

*Decrease.

The exceptional difference existing between the New York equivalent of the London price (169) and the New York price (159) for Canadian Pacific stock is thus explained by the Wall Street Journal:—

Brokers who, prior to the war, were engaged in stock arbitraging with London have observed the unusually large difference existing between the New York equivalent of the London price and the New York price for Can. Pacific, but have regarded it as of no significance, and have paid little attention to it. In explaining the difference they point out that London and New York are now independent markets, and have been so since September, 1914, when the British Government forbade its subjects to purchase securities from foreigners, and thereby placed a ban on arbitraging. Without arbitrating, naturally the price of a security in one market can have little more than a sentimental effect on the price of the same security in the other market. Furthermore, it must be remembered that there is no genuine market for Canadian Pacific in London, any more than there is for American stocks; and the quotations cabled over daily to New York are purely nominal.

Directors of the company met at the head office on Monday and declared the following dividends, which are at the usual rate: On preference stock, two per cent. for half-year ended thirtieth of June last. On common stock two and one-half per cent. for quarter ended thirtieth June last, being at the rate of seven per cent. per annum from revenue and three per cent. per annum from special income account. Both dividends are payable first October next to shareholders of record 1 p.m. on September 1 next.

CANADA STEAMSHIPS.

A moderate demand for Canada Steamships debenture stock developed this week around 76 to 78. This indicates a change of sentiment. Not so long ago a market for this stock could scarcely have been worked up. To-day there is sufficient buying to give it a status.

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President
SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - Ass't General Manager

The Bank has branches in every part of the Dominion of Canada, as well as in St. John's, Newfoundland; New York, Seattle, San Francisco, Portland, Ore.; Mexico City, and London, England. By reason of its many branches in Canada, the Bank is able to place at the disposal of correspondents abroad excellent facilities for the transaction of every kind of banking business.

Collections

Collections made in any part of Canada at reasonable rates.

A GENERAL BANKING BUSINESS TRANSACTED

The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
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C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

THE STERLING BANK OF CANADA

On more occasions than one our experience has enabled us to pilot patrons safely through a crisis.

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.

HEAD OFFICE, - WEYBURN, SASK.

NINETEEN BRANCHES IN SASKATCHEWAN.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

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UNION BANK OF CANADA

Dividend No. 122

NOTICE is hereby given that a Dividend at the rate of eight per cent. per annum, upon the Paid-up Capital Stock of the UNION BANK OF CANADA, has been declared for the current quarter, and that the same will be payable at its Banking House, in the City of Winnipeg, and also at its Branches, on and after Saturday, the 1st day of September, 1917, to Shareholders of record at the close of business on the 16th day of August, 1917.

The Transfer Books will be closed from the 17th to the 31st day of August, 1917, both days inclusive.

By Order of the Board,

H. B. SHAW,
General Manager.

Winnipeg, July 17th, 1917.

NEWS OF SECURITIES

Continued from page 3

Common stock continues to hold between 42 and 43. The preferred has been a shade weaker at from 78 to 79.

CUBA RAILROAD.

For the month of June the gross earnings of the Cuba Railroad amounted to $815,772 compared with $604,112 for the same month in 1916, an increase of $211,660. Net income for the month amounted to $370,353, an increase of $52,420, while the surplus was $276,084 against $230,462, an increase of $45,622. From July to the end of June the gross amounted to $6,461,359, a decrease as compared with the figures for the corresponding period a year ago of $354,337, and net income $1,934,530, a decrease of $1,589,727. For the month of June the figures are as follows:—

June	1917	1916		Change
Gross	$815,772	$604,112	+	$211,660
Net income	370,353	317,933	+	52,420
Surplus ..	276,084	230,462	+	45,622

In a circular to the preferred shareholders, the president states: For several years past it has been customary for the directors, when the earnings of the company for the year are determined, to declare a dividend on the preferred stock payable on 1st August. This year, on account of the temporary severing of communications with several portions of the system and other complications arising from the recent political disturbances in the island, it will take longer than usual to close the books of the company and to determine results of the financial year, and the directors must, therefore, postpone for a few weeks the taking of any action with respect to the dividend which ordinarily would have been declared payable on 1st August.

GRAND TRUNK.

The Grand Trunk Railway company reports gross earnings for the week ending August 7, amounting to $1,320,706, as compared with $1,256,376 for the corresponding period in 1916, and $993,773 in 1915. Over the figures for 1916 the gain was $64,330 or 5.1 per cent. From July 7, to date the earnings are as follows:—

	1917	1916	Inc.	%
July 7..	$1,297,003	$1,155,029	$141,974	12.3
July 14..	1,379,293	1,211,393	167,900	13.8
July 21..	1,358,019	1,140,226	217,790	19.1
July 31..	1,967,465	1,819,713	156,752	8.6
To. July.	$6,001,780	$5,317,361	$684,419	12.8
Aug. 7...	1,320,706	1,256,376	64,330	5.1

The new shops of the Grand Trunk at Port Huron will probably be finished this fall. Orders have just been given by the Grand Trunk management that an additional freight car shed, 360 feet long and 150 feet wide, be built at once. The addition of this structure will mean that more than 800 men will be employed in the shops when the latter are completed. The whole series of shops when finished will be the largest on the Grand Trunk system. They will be chiefly repair shops, but the repairs will be structural.

The $2,500,000 Grand Trunk railway 5% equipment notes, maturing $125,000 semi-annually from 1918 to 1927, were offered in New York last week to yield from 5 to 6% according to maturity. The issue was fairly well received, though it is recognized that popular taste at present is in favor of shorter term financing.

TEXTILES

Very Small Movement in the Textile Group of Stocks With Prices Generally Firm.

By H. H. BLACK,

The textile group continues inactive, trading being confined to only one or two issues. Generally speaking prices are firm. Holders are not selling, and, though buying is extremely limited, it takes but little demand to strengthen quotations. The technical position of the market for these stocks is therefore quite satisfactory and it only needs the impetus of buying to put up the list.

The textile trades have been somewhat startled this week by an announcement that the British Government had ordered all woolen goods to contain 40 per cent. cotton. In the opinion of local men in the textile trade, some of the British firms may decide not to fill any orders under the new conditions.

Manufacturers report a scarcity of worsteds, with prices generally high. This is due partly to labor conditions and the fact that military goods are being made from worsteds.

That Germany is obtaining great quantities of American cotton for use in high explosives through European neutrals, is the charge of the National Association of Cotton Manufacturers of the United States. It is estimated that approximately 100,000,000 pounds of cotton more than the normal requirements have been exported to European neutrals since the beginning of the war, and it is also charged that Germany and Austria have received American cotton through Spain, Denmark, Holland, Sweden, Norway and Italy.

The allies need 3,000,000 bales of cotton annually for high explosives. Germany needs about 2,500,000 bales. Permitting the Central Powers to get this cotton from the United States is prolonging the war, and providing the enemy with explosives to use against the allies.

	Close, Aug. 9	Close, Aug. 16	Change
Can. Cot., pref...	77	77	..
Dom. Tex., com..	83¾	84	+ ¼
Do., pref.	99¾	101	+ 1¼
Mont. Cot., com..	54	54	..
Penmans	71	70	— 1

CANADIAN COTTONS.

No sales were made in Canadian Cottons, common, during the week. One transaction was closed in the preferred at 77, which is half a point off from the last previous sale.

MONTREAL COTTONS.

Montreal Cottons, preferred, have been inactive since the middle of June, no sales being recorded. The last sale in the common was last week at 54. Sales in July were around 51 and 53.

Montreal Cottons has declared its regular quarterly dividend of 1 per cent. on the common and 1¾ per cent. on the preferred, both payable September 15, to holders of record September 5.

MONARCH KNITTING.

The last sale of Monarch preferred was recorded in the middle of April last at 80. The last sale of the common was in the middle of July at 35. Like other textile stocks sales remain inactive.

PENMANS.

Trading in Penmans common has been active for the last week, prices ranging around 70 and 71. The last sale recorded was at 70, a quarter of a point under the previous sale. No sales have been recorded in the preferred since June.

DOMINION TEXTILE.

Dominion Textile, common, sold at 84, a gain of half a point over the last sale. The preferred moved up a quarter of a point over the last sale to 101. Trading has been fairly active.

DOMINION LINENS.

The Dominion Linens, Limited, Guelph, Ont., have completed a new cotton spinning plant. All yarns used by the company in the Guelph and Tilsonburg plants is spun in their own mills. The company has made an offer to the Imperial Munitions Board to weave aeroplane cloth for aeroplanes for the British army at cost.

LIGHT AND POWER

Companies Are Showing Substantial Increases in Earnings Over Last Year.

Though there is practically nothing doing in the market for shares of the light and power companies, there is no reason, in view of the rising earnings of these corporations, why they should not come into better demand. Figures quoted from week to week by THE FINANCIAL POST indicate an almost steady increase in returns. The improvement is undoubtedly due to the growing use of hydro-electric energy. Rising costs of fuel are putting the water-power companies in a favored position as compared with coal-using companies. Power demands have greatly increased, due largely to the demands made by the munitions industry.

SHAWINIGAN.

Shares of the Shawinigan Water & Power Co. maintained the gain made last week, and have been selling this stock steadily at 120. This company's earnings are enjoying a rapid expansion from month to month.

OTTAWA LIGHT.

A sale of five shares of Ottawa Light and Heat was noted last week at 75, this being the first transaction in some months. This week another sale was recorded at 77. At these figures the price is still under the levels prevailing in the spring.

CIVIC INVESTMENT.

Civic Investment shares were moderately active all week. Opening at 75, they sold off to 74, closing at that price on Thursday.

CONSUMERS' GAS.

A sale of Consumers' Gas stock this week at 152 showed an improvement of two points over the price which has prevailed since June.

SOUTHERN CANADA POWER.

The nine months' statement of the Southern Canada Power Company issued this week showed gross earnings for the nine months ended June 30th, of $336,843, an increase of $90,899 over those for the corresponding period of the previous year, and after increased operating expenses, and purchased power (which this year had to be purchased from the Shawinigan Co.) were paid, net earnings amounting to $161,324, which, when interest and administrative charges had been subtracted, left a surplus of $43,124, an increase of $23,457 over that for the corresponding period of 1916.

The Southern Canada Power Co. has a contract to supply the Shawinigan Power Co., with 10,000 horse power, 5,000 to be supplied out of the first development, and 5,000 out of the second, each for 15 years, and at present the Southern Canada Power Co. are serving over 40 cities, towns and municipalities in the Province of Quebec, including St. John's, St. Hyacinthe, Drummondville, Granby, Sherbrooke, etc., a population of over 100,000 people.

Further, the company are building 88 miles of high tension transmission lines, connecting up Sherbrooke with Magog, Foster, Knowlton, Granby and St. John's, and completion is expected by November 1st, and when completed, the company will have 160 miles of high tension transmission wires, mostly of 44,000 volts.

At present, the company owns and controls water powers on the St. Francis River, within 60 miles of Montreal, that are capable of 100,000 to 160,000 horsepower development which can be economically developed according to estimates of competent engineers. The Government of the Province of Quebec, through the Quebec Streams Commission, have recently completed a 27-foot concrete dam for storage purposes at the outlet to Lake St. Francis, and have purchased a dam at the outlet of Lake Aylmer. These are expected to increase the minimum flow of the St. Francis River by over 50 per cent.

The company is in a sound financial condition, and the earnings for the year as compared with those for the past three years show excellent increases, as the following gross and net earnings figures show:

Year ending September 30th, 1917.

	1915	1916	Estimated 1917
Gross earn...	$120,377	$148,429	$435,000*
Oper't Expen and purchasing power .	59,258	73,924	230,000
Net earnings.	$ 61,119	$ 74,505	$205,000
Non-operati'g revenue	517	7,023	....
Total revenue	$ 61,636	$ 81,528	$205,000
Deduct for bond int., etc	39,789	60,943	145,000
Surplus for year	$ 21,847	$ 20,585	$ 60,000*

*Includes earnings of all subsidiary companies, including Sherbrooke R. & P. Co.

LAURENTIDE.

Apart from the splendid earnings of the Laurentide Company, as a paper concern, there must be taken into consideration the substantial equity behind the stock as a result of the present company's large holding in Laurentide Power, which amounts to $7,000,000 of the total amount of $10,000,000 issued by the latter company.

Just how valuable an asset this is may be gathered from the fact that the Laurentide Power Company is capable of a development of 125,000 h.p. At the present time the company is supplying 25,000 h.p. to the parent concern, and 50,000 h.p. to the Shawinigan Company, and the increase in the rate of earnings may be gathered from the fact that for the first four months of the current year the gross income was $212,537, compared with $70,784 for the corresponding period of 1916, while the net earnings for the same period totaled $190,031, compared with $62,643. When the full output of 125,000 h.p. is sold it is estimated that the annual gross receipts will be about $1,250,000, which would mean 8 per cent. for the stock.

ELECTRIC RAILWAYS

Trading Very Moderate With Prices Holding Unchanged at Previous Levels.

There is always a certain amount of buying and selling of traction stocks, there being issues in which the public has taken considerable interest in the past. Their position at present is none too satisfactory, owing on the one hand to the increasing costs of operation, and on the other to the agitation for public ownership. Between the two, the shareholder is not in the most enviable position. This week, with light trading, prices have been holding fairly steady.

BRETON.

The Cape Breton Electric Company reports gross earnings for the month of June amounting to $37,078 as compared with $30,946 for the same month in 1916, an increase of $6,132. Net earnings showed a decrease of $1,247, the figures being $10,654 against $11,901 for June a year ago. Surplus was $4,103, a decrease of $1,247. For the year the gross amounted to $425,554, an increase over the corresponding period in 1916 of $43,843, while the net earnings were $172,486, an increase of $14,187.

DULUTH-SUPERIOR.

For the week ending August 7, the gross earnings of the Duluth-Superior Traction Company amounted to $32,371 against $28,564 for the corresponding period in 1916, an increase of $3,806 or 13.3 per cent. For the year to date the earnings amount to $929,907 compared with $800,090, an increase of $129,817 or 16.2 per cent.

TORONTO RAILWAY.

The companies associated with the Toronto Railway Company report gross earnings for the month of June amounting to $984,529 as compared with $884,491 for the same month in 1916, an increase of $100,038. Working expenses, maintenance, etc., amounted to $509,121, an increase of $72,486, which left net earnings of $475,408 compared with $447,856, an increase of $27,552. From January to the end of June the earnings are as follows:—

1917	Gross	Expenses	Net
January	$1,002,469	$531,668	$470,801
February ...	932,567	491,351	441,216
March	991,192	515,586	475,606
April	970,367	490,524	479,843
May	992,460	516,164	476,296
June	984,529	509,121	475,408

The aggregate gross earnings from January 1, to the end of June amounted to $5,873,584, an increase as compared with the corresponding period in 1916, of $538,385, while the aggregate net earnings were $2,819,170, an increase of $219,731.

WINNIPEG ELECTRIC.

For $100 shares of Winnipeg Street Railway $36 was bid in Montreal last week, and a sale was put through at that figure. In March, 1912, $269 a share was actually paid in Toronto for this same stock.

It is estimated that the street railway is losing $300,000 a year through the competition of the jitneys. In June of this year the net earnings fell below the charges on the company's revenue, the deficit being $11,459. In June, 1916, the net income of the company was $28,267. In 1913 the Winnipeg Street Railway enjoyed an average net income of $100,000. On Wednesday the price of the shares firmed up to 42.

BRAZILIAN TRACTION.

There has been slightly less than the usual volume of trading in Brazilian Traction this week. The price of the shares has held at 40, or slightly better. In many quarters Brazilian at this figure is regarded as one of the best speculative issues on the market.

DETROIT UNITED.

A fair volume of business has been done this week in Detroit United, but the price has been under the level of last week. The high was 110, comparing with 111 a week ago.

OTHER STOCKS

Technical Position of Canadian Stock Markets is Sound, But There is no Stimulus to Buying.

Canadian stock markets are technically in a good position at present. There is remarkably little stock offering. All that is needed to develop a substantial rally is the incentive, and once started the contagion of the thing would carry the movement along. Of course, there can be no activity here without a lead from New York. Much depends on the big market, and unfortunately at present there are few indications of a quickening in that direction. New York is acting well. It is maintaining values remarkably in face of disturbing news, but at the same time there is so much uncertainty that it seems impossible to work up interest. The chief trouble would seem to be the continuous need of heavy governmental financing, which allows of no relaxation in the demand for money.

There is nothing of special interest in the domestic markets. Trading in the war loan has been the most noticeable feature. The rest of the market has been steady, but almost lifeless. There have now been six or eight weeks of these quiet times and brokers are beginning to despair lest there should not be an early return to more active business.

AMERICAN CYANAMID.

The American Cyanamid Company, a Canadian-American concern, which manufactures fertilizer materials, with plants at Niagara Falls, Ontario, and Warners, New Jersey, reports net profits of $638,648 for the year ending June 30th last, against only $58,583 two years ago when the company's business was demoralized by the war. Profits as shown were equal to slightly more than 8 per cent. on the $7,895,200 preferred stock outstanding at the end of the year. The company's securities are traded in on the Toronto Stock Exchange, and the Canadian interest in the company is fairly large.

During the past twelve months the company acquired the entire capital stock of the Ammo-Phos Corporation, which is to begin manufacturing a new fertilizer material, ammonium phosphate, this month and has already been producing sulphuric acid and sulphate of ammonia. With this corporation was also acquired in the same transaction the Amalgamated Phosphate Company which owns phosphate rock mines in Florida.

The annual report notes:

"The demands upon your company's treasury to defray the cost of the phosphate mines' extensions (the capacity of the mines is being doubled), coupled with the extensions and improvements at the Ammo-Phos plant and at Niagara Falls, have been such, together with the undue risk at this time of the world's history in assuming large loans, as to involve the necessity of passing the dividend on the preferred stock, amounting to 6 per cent., for the fiscal year ended June 30th, 1917.

"The preferred stock is cumulative so that this action is only a deferment; all accrued dividends on the preferred stock must be discharged before any dividends can be paid on the common stock. Your directors have taken this action with the conviction that this reinvestment of earnings in plant extensions and improvements at this time will result in extraordinary and immediate benefit to holders of both the preferred and common stock."

Net sales for the past year amounted to $2,705,053, against $1,881,532 the preceding year. Contracts for delivery in the current year already in hand are placed at $2,025,811.

The balance sheet shows current assets of $1,343,328, of which $105,066 is cash, against current liabilities of $684,443, including $359,114 notes payable.

Surplus account which was $232,283 a year ago, stands at $525,402 after deducting $148,951 for losses sustained through dismantling part of the Niagara Falls plant and $196,578 for deferred dividend paid last December. Accrued dividends due on the preferred stock amount to $439,837.

AMES-HOLDEN-McCREADY.

After many weeks of inaction, both the common and preferred shares of the Ames-Holden-McCready Co. came in for some attention this week. On Wednesday, the common sold at 15, as against 14 at the last previous sale, while on Thursday it advanced to 16. The preferred sold at 49, which is about the level of sales for some time back.

ACADIA SUGAR

The result of the year's operations in the cane sugar fields of Cuba and other sugar-producing islands of the south is always matter of prime interest to the shareholders of Canadian refineries. The Cuban government has just given out a statement that the total production of sugar for the season of 1916 and 1917 on the Island was 2,800,000 long tons. This is about 200,000 tons less than last season's output, and some 700,000 tons less than estimates made at the beginning of the grinding season. The Government this year for the first time has placed a tax on the sugar production. The tax is 10 cents per sack and if the price is over 3 cents per pound, an additional 10 cents per sack. Besides this, each sugar mill has to pay to the Government 6 per cent. on the net profit. The price of sugar to-day is $5.15 f.o.b. steamer or about $115 per ton. The stocks on hand are much less than at same date last year.

BELL TELEPHONE.

The improvement noted in this stock last week continued this week. On Wednesday a block sold at 138, or half a point better than last week's figure. There was subsequently a reaction to 137.

B. C. PACKERS.

A single sale of common at 44, with no movement whatever in the preferred, was the market story of B. C. Packers this week. The prospects for an excellent run of salmon on the Pacific Coast are brightening and arrangements are being made to put up a larger pack than was earlier anticipated.

BRITISH CANADIAN LUMBER.

A circular letter recently issued by the receiver of the British Canadian Lumber Corporation to bondholders and noteholders contains some interesting information about the company.

According to the prospectus issued in 1911 in connection with the issue of $4,000,000 6 per cent. cumulative participating preference shares of $100 each at par, this company was formed to acquire large and valuable timber, properities and lumber mills and plant in British Columbia, so situated in relation to one another and to important markets as to make for unusually economical and profitable manufacturing operations. The prospectus estimated that in its first year — 1911 — the company should earn net profits before payment of preferred dividends of nearly $630,000; in its second year $1,070,000, and in its third year $1,525,000, and suggested that further large profits would be earned by the establishment of retail yards in the Prairie Provinces. Alas for these hopes! The company's actual record shows that in 1911 there was a surplus of $166,120, out of which the dividend was paid on the preference shares other than those which were allotted to underwriters; in 1912 there was no dividend distribution, nor was there in 1913; and the credit balance at the end of 1912 was, by the end of 1913, after meeting interest charges, converted into a debit of $464,616. In 1914 the preference shareholders further financed the company by subscribing for an issue of 8 per cent. registered seceured notes, but the interest on these, though paid in April, was defaulted in October, 1914. In January, 1915, a receiver was appointed, and in April, in order to save the property, an issue of 7 per cent. receiver's certificates was made to discharge the company's liabilities, ranking in priority to the 8 per cent. notes.

A report issued by the receiver in October, 1916, indicated that the quality and value of the company's timber had been greatly over-estimated, and it has been shown that, though by careful management the holders of receiver's certificates and of the 8 per cent. notes might eventually be repaid in full with interest, failing any material rise in timber values the preference shareholders had little and the ordinary shareholders nothing to hope for. In his letter now under notice, the receiver indicates that, efforts to provide further working capital having failed, the proper course to follow is to apply to the British Columbia courts for the sale of the whole of the properties at an early date. As an alternative a scheme is proposed contemplating the facilitation by the holders of the secured notes and the receiver's certificates of the raising of a sum of money sufficient to hold the properties for a period of perhaps three years from April, 1918.

CANADA BREAD

There was a break in the five month inaction of the Canada Bread Company preferred stock when on Friday of last week, some sales were made at 85. This figure was about in a line with the trading of the year, though about a point and a half off the best figure obtained. There were no transactions in the common. The last selling price was 15.

CANADA CEMENT

Progress of the Canada Cement Company is reflected in the announcement that the Royal Trust Co., as trustee, will receive tenders up to September 15, from the holders of six per cent. first mortgage bonds of the company, of bonds to be purchased on account of the sinking fund as an investment for the sum of $204,543.20. Cement common has been in fair demand this week at from 61¼ to 62, with the preferred selling from 90½ to 92.

CARRIAGE FACTORIES.

The gain registered in Carriage Factories common last week has been retained and several sales were recorded this week at 20. The preferred continues to sell at 13.25. There appears to be no special news on this security. It was apparently a cheap stock, for which it was easy to work up a small boom.

CITY DAIRY.

A small lot of City Dairy preferred came out this week at 60, the first sale since April. There was also a sale of the common at 30. That City Dairy is steadily improving its position is well known. It has turned the corner and is now making a profit, though not enough to warrant any resumption of dividends. Labor costs are high, and the management has to move with great caution.

CANADIAN WESTERN LUMBER

During the month of June the returns of the Canadian Western Lumber Company, were higher than for any previous month during the current year. The lumber sold during the month amounted to 14,819,166 feet which compares with 11,364,383 feet sold in June 1916, an increase of 3,454,783 feet, while the price realized was $319,609 against $166,199, an increase of $153,410. For the year to date the aggregate amount of lumber sold was 68,077,993 feet, an increase over the figures for the corresponding period last year of 11,649,825 feet, and the price realized $1,265,563, an increase of $435,258. Comparative figures for the year to date are as follows:

	1916		1917	
	Feet Sold	Price Realized	Feet Sold	Price Realized
Jan. ...	3,675,657	$46,575	9,260,150	$150,543
Feb. ...	6,321,334	85,513	7,178,641	120,561
Mar. ...	12,748,836	188,188	10,674,405	188,346
Apr. ...	11,764,583	180,880	11,504,155	207,263
May ...	10,543,375	163,067	14,641,476	279,240
June ...	11,364,383	166,199	14,819,166	319,609

DOMINION CANNERS

The canning season is progressing very favorably to date. Weather conditions have been mainly favorable, and general conditions seem to indicate a very successful season, the only probable shortage being in corn which is developing so late that there is a great possibility that frosts may prevent the packing of a full supply. Other than that conditions at present could hardly be better. While tin can prices remain high, there appears at present to be an easier feeling, and there is little likelihood that can shortage will be a factor in the situation.

With the opening of the actual canning season there was a gradual falling off in the trading of this stock. The last sale in the common was at 22 and in the preferred at 75.

GENERAL ELECTRIC.

General Electric shares show little variation from week to week. They manage to maintain their position above par with seeming ease. This week the prevailing price has been 103, with one or two sales at 103½ in the earlier trading. The company is understood to be progressing in a most satisfactory manner.

HUDSON'S BAY CO.

A further dividend of 20 per cent. on the common stock of the Hudson's Bay Co. has recently been declared by the directors. This brings the total dividend on the stock for the year ending May 31, up to 30 per cent. Half of the 30 per cent. is free of tax, as coming from the land department; the other 15 per cent., which represents trade profit, is subject to tax. Of the total distribution of 20 per cent., the previous year only 5 per cent. accrued from the land department, which indicates a decided improvement in the land sales during the past year. This fact was brought out at the annual meeting in London on Wednesday, when Governor Kindersly stated that only three times in the company's history had the land department sales been exceeded. At this meeting it was announced that the directors had decided to institute a taxation reserve fund in view of the heavy liability of the company in this direction. It was further reported that the company's shops were doing well and that the policy of building large stores had been a profitable one.

INVESTMENT CORPORATION OF CANADA.

The report for the year ended April 30 last states that there have been no changes in the capital or debenture stock issued. The loan of £26,700 arranged last year was repaid when due on March 1 last, leaving the company free of short term indebtedness. Following the course adopted in the previous year, the directors decided to make no interim distribution on the ordinary stock on October 31 last. The revenue for the year, after payment of management expenses, etc., amounts to £33,728. After deducting interest on debenture stock and notes, £12,970, there remains a balance of £20,757. It is proposed to pay a dividend on the ordinary stock of 3 per cent. for the year, leaving a surplus revenue of £1,257, which, with £1,874 brought forward, makes £3,131 to be carried forward. No sales of real estate have been made, and the directors have, as before, only brought into profit and loss the realized proportion of the profit on the sales formerly made. There is a further sum of £8,591 of profits on real estate, already sold, to be realized in future years.

INTERNATIONAL PETROLEUM

The oil situation at the present time is such as to ensure all oil companies a continuance of business at record prices. Pennsylvania crude oil has advanced to $3.25 a barrel, the highest price in forty years. Reasons for the advance are found in the constantly growing demand for light grade crude oil and increased cost of production. Producers are unable to keep up with present demand. In the United States it is stated that consumption of crude oil is at the rate of 335,000,000 bbls. a year while production is only 300,000,000 bbls., the excess demand being drawn from supplies. Costs of oil well drilling are higher; oil well supplies are higher and labor costs are higher. Of course, International Petroleum does not operate in the United States, its source of supply being Peru, but it is affected directly by conditions in the American market. Quotations on the stock are at present 13.50 asked and 13.00 offered.

TUCKETT TOBACCO

There has been no response as yet, in the market for Tuckett Tobacco shares, to the recent strength in tobacco issues in the United States. The latter has been one of the features of the New York market. It is pointed out, in this connection that tobacco stocks will be considerably benefited by the cessation of hostilities abroad. All of the costs entering into the manufacture of tobacco goods have risen sharply since the war started. The restoration of peace means that costs of tin, paper, labor, leaf tobacco, etc., will gradually be restored to normal. There have been no transactions in Tuckett common since June 1, when the stock sold at 19. The last sale of preferred was at 80.

SUGAR BEETS IN CANADA.

Experiments Show Soil and Climate Most Favorable.

A report on the sugar beet crop of Western Canada has been issued by the Canadian Pacific Railway. In Southern Alberta, it is pointed out, the area suited to the growth of sugar beets is greater in extent than any two of the largest producing districts in the United States. That more has not been heard of the possibilities of this crop in Alberta is due to the success of the farmer in grain growing and stock raising. But, just as a higher quality of grain with larger yields is produced in Western Canada than in the older districts, so beets grown here generally contain a higher percentage of sugar and yield a greater tonnage to the acre than those grown elsewhere. Tests made with beets grown under irrigation from five different kinds of seeds at the Dominion Government Experimental station at Lethbridge, showed a yield of 17¼, 16½, 15½ and 9¾ tons per acre, with a sugar percentage of 15.84, 19.42, 17.85, 16.25 respectively. In the same district crops without irrigation yielded 9½ tons per acre from the same seed. Even better results have been obtained from beets grown in the eastern and western sections of the irrigation block of the Canadian Pacific, east of Calgary. Beets with a sugar content of 20 per cent. have been grown there in successive years, and growers are confident that this percentage can be maintained with large crops.

Combined with the live stock industry, sugar beet cultivation builds up prosperous districts more quickly and substantially than probably any other mode of agricultural development. The feeding value of the beet pulp and tops needs no comment. As a rotation crop for the cultivation of soil values there is none better.

A superior quality of seed can be produced in Alberta. The soil of the eastern section of the irrigation block is admirably adapted for the growth of beets for seed, which will no doubt develop into one of the most important branches of industry.

In 1915 the consumption of sugar in Alberta was approximately 42,000,000 pounds; in British Columbia, 33,000,000; in Saskatchewan, 50,000,000, and in Manitoba 43,000,000 pounds, making a total for the western provinces alone of 168,000,000 pounds. The total production of sugar in the whole of the Dominion amounted to 37,000,000 pounds. A large market is therefore right at the door.

BRAZIL MEETS OBLIGATIONS PROMPTLY

South American Republic, in Which Canadians Are Largely Interested.

PAYS UP ITS DEBTS

Three Years Ago She Defaulted on Her Interest, But Refunding Scheme Was Successfully Arranged.

Through its extensive investments in the securities of the Brazilian Traction Light & Power Co., Canada has a stake in the welfare of the big South American Republic. The following article dealing with the recovery of Brazil presents the views of the London "Economist" on the financial position of the Brazilian Government.

The punctual fulfilment by Brazil of her obligations under the Funding Scheme of 1914 was definitely intimated on Saturday last. It calls for emphatic congratulations both to the bondholders and to the Brazilian Government. For five or six years, down to the end of 1914, that Government—with a population under it of some 22 millions—spent over £40,000,000 annually, and its extravagance gave good cause for alarm. Dreadnoughts were built which were certain to deteriorate rapidly in that tropical climate, and apparently for no purpose except to menace Brazil's neighbors or to show that she could rival the naval preparations of the chief Powers of Europe. Railways showed deficits owing to extravagant official salaries, partly excused by the high cost of living due to the tariffs, and some of the Customs duties were so high as to be a hindrance to the revenue instead of a help. Presidents and Ministers repeatedly declared that the expenditure must be checked, but they continued it nevertheless. Budget deficits had become chronic, and in 1914 a temporary relief had been sought by an attempt to raise a new loan in Europe.

The negotiations were broken off by the approach of the European cataclysm, and four days before Great Britain entered the war Brazil defaulted on her foreign debt. Two months later Messrs. Rothschild carried through a Funding Scheme, to which the bondholders had perforce to submit. Under it the interest of twelve of the eighteen foreign loans (including two to the Lloyd Brasiliero) was funded for three years to August next, and the sinking funds on these and on one other loan were suspended for ten years more. The twelve loans in question comprised more than 90 per cent. of the external debt, and this, under the funding arrangement, was increased by several millions. Subsequently, and even at the beginning of this year, fears were entertained that the scheme would have to be extended for a further period; but the Government rose to the occasion. Drastic reductions were made in current expenditure, pending Government contracts were rigorously revised, heavy fresh taxation was imposed, the tariff was so modified as to encourage instead of hindering the yield from certain import duties, and the Budget deficit, which in 1913 had been over £13,000,000, was brought down in 1915 below £8,000,000, and for the current year should be considerably below £2,000,000. Meanwhile, however, Brazilian exports, instead of increasing (as might have been hoped before the war set up the reciprocal blockades between the groups of belligerents), fell heavily for a time, and the restrictions on the importation of coffee into France and Great Britain, now modified, tended to increase the danger of non-fulfilment of the Funding Scheme. Happily, such fears are now ended, and on August 1st the first cash payment of interest will be duly resumed.

It may be added that Brazil's entry into the war is not likely to involve her in heavy expenditure, and she has found a use for her navy at last in patrolling the South Atlantic.

The measures which have made the resumption possible are summarized in the Presidential message, published last Friday, and have been briefly referred to above. But additional hope for the future is afforded by the development of the new exports, either indicated in the message or referred to in these columns on July 7th. The message notes the increased production of cotton and cattle, the new exports of manufactured goods, and the development of the Southern coalfields. This last may be good news for the Argentine railways, though as yet they seem unresponsive; but the remoter outlook in other directions seems more promising still. Before the war Brazilian exports consisted mainly of coffee and largely of rubber; the coffee market was already overstocked, the rubber market may well become so. Next to coffee, but above rubber, came yerba mate (or Paraguayan tea), sugar, and leather, and below rubber was tobacco. All these exports may be largely increased, and that of sugar has grown considerably; and there are other and new exports, now relatively small, but susceptible of great development. The export of chilled meat had tripled in the first five months of the current year, as compared with the corresponding period of its predecessor; and we believe the increase comes mainly from one province, Sao Paulo, where the hitherto unfortunate Brazil Railway is developing a vast ranch area. Rice and beans, the staple food of the masses, were partly imported some years ago; they are now being exported, and so is maize. After the war, immigration will be stimulated from Spain, Italy, and possibly Portugal and Germany; and vast temperate regions will be opened up for the production of cattle and cereals. By a sound financial policy, Brazil has extricated herself from her difficulties, and has profited by the severe lessons of the past.

RAILWAY ACT IS NOW WORRYING SENATE

Just a Question Whether It Can Be Disposed of by Upper House Before Prorogation.

The Railway Committee of the Senate is worrying at the present time with the Consolidated Railway Act, which was finally disposed of by the Commons two weeks ago. The first inclination of the Senators was to drop the Act this session, as it contains no less than four hundred clauses, many of them controversial. However, a strong protest was made by those interested in the passing of the bill. The railway unions also vigorously protested to their representative in the Upper Chamber, and as a result it was decided to proceed with the Act, although it is just a question whether it can be disposed of before prorogation.

The committee held its first session this week and dealt with the non-contentious clauses. The clause, which was inserted at the request of the City of Toronto, and which affects the Toronto Electric Light interests, will be discussed next Tuesday and Wednesday. It is proposed to hear representatives of the companies interested, and it is presumed, also, the City of Toronto, next Tuesday. On Wednesday the telephone companies will be heard in protest against clauses in which they are interested. The present outlook is that the bill will have a stormy passage before it is finally disposed of in the Upper Chamber.

THE COAL SUPPLY.

Production for the Last Three Months at Its Highest Point.

The *Wall Street Journal* publishes a reassuring article on the coal situation, which has quite as much application to Canada as to the United States. In spite of all adverse influences, says the *Journal*, car supply, labor troubles, inordinate demand, etc., it appears fairly sure that the country will have all the coal it needs. Production during the past three months has been at a higher point than ever reached in any similar period. June was the only one of these months that established a record, but production in July was very little behind, while August holds out hope for another very large month.

In carrying out the policy of supplying the more distant territory first, the large producing companies are shipping solid trains of coal to New England. The railroads are co-operating to expedite movement as much as possible, the cars are unloaded at once on arrival at destination, and returned immediately to the originating road. As a result of this system it is not unusual for a lot of cars to leave the mines in Pennsylvania full and return empty, after delivering the coal at some point in Massachusetts, all within a week. Under ordinary conditions this trip would take about a month. Congested conditions on the New Haven and New York Central have been relieved this week and the embargoes placed against these roads by initial roads have been removed.

Demand for domestic sizes of anthracite continues excellent. Although production has pretty well caught up with demand, there is still not quite enough stove or egg coal. Small stocks of nut have just begun to accumulate, but not in any great quantity, while there seems to be a good supply of pea coal, the demand for which has fallen off slightly. Steam sizes are also easing off a little, as is usual at this time of year.

The important feature of the week, as far as bituminous coal is concerned, was the placing of restrictions on the shipment of coal to Canada. The new order does not affect coal consigned to railroads and public utilities. The consumption of American coal in Canadian industrial plans nas recently been very large and it is the opinion in the coal trade that the new restriction will aid materially in insuring an ample supply for the United States during the coming winter. It was largely to prevent a shortage here that the embargo was placed.

It is expected that considerable influence on prices will be felt as a result of the embargo, and that there will be less tendency to try to better the price set by the operators at Washington. Coal is being sold almost entirely at the agreed price pending the report of the Federal Trade Commission. In spite of efforts being made by the Administration to hurry this report as much as possible, well informed interests do not expect the report before September 30, if then.

Production continues at about the same rate. No improvement in the car supply is reported. Operators in different sections, and especially in West Virginia, say the miners are restless. On account of the irregular supply of cars and uncertainty of steady work there is considerable movement of labor from one mine to another. The question of the draft is also an element of uncertainty in the labor situation. In spite of all the unfavorable factors the coal continues to come from the mines in sufficient quantity to care for immediate needs, although few plants have any stock of coal stored.

ONTARIO ACT IS DECLARED ULTRA VIRES

Effort of Province to Restrict Extra Provincial Corporations is Null.

ALL ITS CLAUSES INVALID

Probable That the Case Will Eventually Find Its Way to the Privy Council.

A most important judgment affecting the status of incorporated companies was given out at Osgoode Hall, Toronto, on Monday. The case was a test one instituted by the Attorney-General of Ontario to ascertain the validity of the Ontario Extra Provincial Corporations Act of 1914, and was brought against the Harris Lithographing Co. of Toronto, a company having a Dominion charter, but not a provincial license. Judge Masten, who tried the case, held that the Ontario Act was ultra vires and invalid in all its clauses.

The purport of the Act, he finds, is to exert control over all companies incorporated outside the province. While this is permissible as regards foreign companies, it is held that it is beyond the powers of the province to make such a regulation with regard to companies chartered by the Dominion.

The pith of the Act, according to Mr. Justice Masten, is to preclude outside companies from the exercise of some of their powers and to deprive them of their status in the Province of Ontario unless and until they file certain documents and pay certain fees and take out licenses.

The Harris company had vested in it, by its Dominion charter, the right "to carry on throughout Canada the business of stationers and lithographers."

"I think such power," said Mr. Justice Masten, "has been validly and effectively conferred on this company because the power to regulate trade and commerce at all events entitles the Parliament of Canada to prescribe to what extent the powers of companies should be exercisable."

Ontario is not alone in its fight for the control of extra provincial companies, from the licensing and annual fees of which there is an annual income that is said to run into the hundreds of thousands. British Columbia has fought its case to the Privy Council and has lost, but its Act was not the same as the Ontario Act.

Manitoba has fought its case to the Court of Appeal of that province, the trial judge upholding the Act, and the Court of Appeal dividing evenly, two for and two against. It is now on its way to the Supreme Court, and untimately to the Privy Council, where the Ontario case will also doubtless go in company with it.

NO PLANS ARE FILED.

Ottawa Has Not Heard of Big New Steel Plant.

Ottawa, Aug. 17.—It is stated that no plans for the Canadian Steel Corporation have been filed here, and there is no official knowledge of the proposed plant of that concern.

Windsor, Aug. 16.—Plans have been filed with the Canadian Government by a local law firm for the Canadian Steel Corporation, for docks at Ojibway to cost $250,000, it was announced to-day.

The notice stated that the plans included a marine slip, harbor, docks and wharves. A canal running through the corporation's property for 2,500 feet, which will be 200 feet wide, and 25 feet deep, will be dredged to accommodate boats.

It is proposed to build docks on the banks of the canal, while another dock a thousand feet long is planned for the river front.

After the expiration of a month, during which time the notice will be published in local newspapers, the corporation will ask permission of the Government to start construction work.

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Mackay	80½	80½
Spanish River	16¾	16¼
Winnipeg Ry.	40	40
Que. L. & P.	20½	20½
N. S. Steel	104	104
Maple Leaf	102	102
Steel of Can.	58	58
War Loan (1925)	97⅝	97⅝
Do. (1937)	95⅛	95⅛
La Rose	50	50
Imperial Bank	197	197
Brazilian	40	40
C. P. R.	160	160

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CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Aug.16, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings %	Dividends 1912	1913	1914	1915	Last Dividend Date 1917	Rate	Yield to Aug. 9	BANKS	Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Aug. 9 High	Date	Low	Date	Close Aug. 17 1916 Ask	Bid	Close Aug. 16 Ask	Bid	Week ending Aug. 17 High	Low	Last	Sales
4,866,666	3,017,333	198,175	7 97	8+1	8	8	8	8th Apr.	s. 3	5.35	British North America	150	145	145	145	112	110	112	Jan. 29										
15,000,000	13,500,000	461,892	15 70	10+1	10+2	10+2	10+2	1st June	q. 2½	5.37	Commerce	218	199½	205	203	203	183	188	Feb. 27	183	Apr. 5	190	187		186½	186½	186¼	186¼	38
6,000,000	7,000,000	344,439	14 05	12+2	12+2	12+2	12	2nd July	q. 3	5.85	Dominion	233	218	229½	227	220	204	212⅛	Jan. 9	203	June 28	210	209⅞	208	206	205	206	206	1
3,000,000	3,300,000	175,821	14 14	11	12	12	12	1st June	q. 3	6.28	Hamilton	207	198	208	201	197	246¾	192	Mar. 17	189	May 23	197⅛	195		191	191	191	191	15
4,000,000	3,700,000	40,622	13 25	9	9	9	5	1st June	q. 2¼	6.29	Hochelaga	155	149	150	149	149	145	145	Jan. 9	143	Aug. 7			142½		142⅜	142⅛	142⅜	5
7,000,000	7,000,000	1,089,656	14 73	12	12	12	12	1st Aug.	q. 3	6.28	Imperial	218	210	214	210	203	180	200½	Jan. 11	190	June 14		200		193	193	193	193	
1,946,373	300,000	42,791	8 44	6¾	7	7	5	1st June	q. 1¼	4.42	Home Bank	116	110																15
7,000,000	7,000,000	250,984	13 68	10	10	10	10	1st Aug.	q. 2½	5.95	Merchants	193	177	180	180	180	150	170	Jan. 3	167	July 25				170	170	170	170	39
4,000,000	4,800,000	61,300	13 09	11	11	11	11	15th July	q. 2¾	6.11	Molsons	205	194	202	200	195	182	186	May 19	179½	Jan 24	198							
16,000,000	16,000,000	1,321,193	13 17	10+2	10+2	10+2	10+2	1st June	q. 2½	4.61	Montreal	250	227½	240	234	240½	219	234	Jan. 11	215	May 15	227	226						
2,000,000	1,900,000	54,843	16 66	7	9	8	8	1st Aug.	q. 2	5.36	Nationale	133¾	131	132¾	132¾	134	134	149	July 31										
6,500,000	12,000,000	396,115	18 07	14	14	14	14	3rd July	q. 3½	5.13	Nova Scotia	265	257	265	261	261	254	257½	Mar. 9	252	June 21	261	255						
4,000,000	4,750,000	246,304	13 28	11¾	12	12	12	1st June	q. 3	6.00	Ottawa	208	201	207	207	204	202	202	Mar. 8	200	Feb. 23	204							
2,735,000	1,000,000	11,795	8 54	7	7	7	7	1st June	q. 1¾		Quebec	122	118	120	119	119	96												
11,560,000	12,560,000	676,472	15 57	12	12	12	12	1st June	q. 3	5.63	Royal	228	218	223	221¼	221¼	210	214	Feb. 13	210	July 20	213		212	210	213	212	213	10
3,000,000	4,000,000	651,646	18 78	163	13	13	13	1st Aug.	q. 3¼	6.31	Standard	223½	208½	220	215	221	211¼	215	Jan. 2	203	July 25		216½						
1,198,801	3,000,000	52,184	12 20		6	6	6	15th Aug.	q. 1½	6.12	Sterling	98½	98																
5,000,000	6,000,000	439,378	13 02	11+1	11+1	11+1	11	1st June	q. 2¾	5.85	Toronto	215	203	211	207	215⅛	190	213	Jan. 30	188	July 31		195½						
5,000,000	3,400,000	106,972	13 19	8	8	8+1	8+1	1st June	q. 2	5.71	Union	147½	137	140⅛	140	140	132	142	July 30	136	Mar. 29		133		139	142	139	139	22

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	19	1915	1916		Date	Rate	Yield		Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Aug. 9 High	Date	Low	Date	Close Aug. 17 1916 Ask	Bid	Close Aug. 16 Ask	Bid	Week ending Aug. 17 High	Low	Last	Sales
											Barcelona, T. L. and P.	35⅛	15⅛	17⅜	7⅜	17	19	17	Jan. 4	10½	June 18	16	15¼	11¼	11	11	11	11	35
207,450,000	10,000,300		3,822,410	6	6	4	2	1st June	q. 1	9.09	Brazilian Traction L. and P.	92	53⅛	59¾	45	62⅝	43	47¾	Jan. 2	37	Apr. 20	59⅛	58¾	40⅛	39⅞	40⅛	40	40¼	547
16,217,500	10,000,000			3	6	6	3	1st Apr.	q. 1½		Brazilian Traction, Pref.																		
12,000,000		9,766,740	108,080								Canada Steamships Lines, Com			20	6	45	16	45⅛	June 21	29¾	Feb. 3	27¼	26	42¾	42	42⅞	42¼	42⅝	630
	12,500,000				3½	6	3½	16th Aug.	q 1¾	8.86	" " " Pref			76½	59	95½	89¾	93¾	Jan. 29	76¼	June 12	86	85	78¾	78¼	79½	78⅜	79	272
260,000,000	80,681,921	234,684,062	208,492,641	7+3	7+3	10	7½	1st July	q. 2½	6.21	Canadian Pacific Railway	219⅝	171⅛	195½	139¾	182¼	163¾	167½	July 9	149⅛	Feb. 8	180	178	161	160⅛	160½	160	160	65
								15th Aug.	q. 1	5.26	Civic Investment					83¾	79	82¾	Jan. 26	73⅞	June 29	100⅛	99⅛	74⅛	74	75⅛	75⅛	74	855
12,500,000		33,485,135	7,767,986	6	6	6	3¾	1st June	q. 1¾	6.36	Detroit United	73¾	55	73	62	128⅛	69	128	Jan. 3	106⅛	July 9	117	116	109	107½	110	109¾	110	489
3,500,000	1,500,000	3,262,000	339,156	4½	4	2	p	1st July '15	s. 1	8 66	Duluth Superior Traction Co., Com	67	55	60	55	49	37	51⅛	Mar. 7	41¾	Aug. 7	46½	45⅛	42⅛		109¼	109¼	109¼	10
1,400,000		600,000	921,736	8	8	8	6	2nd July	q. 2	5.00	Halifax Electric, pref	*160	*160			160	160												
12,251,400	7,135,500	810,000	1,700,607	2¼	3	3	1½	15th Aug.	q. ¾		Illinois Traction, Com																		
				6	6	6	4½	2nd July	q. 1½	7.14	Illinois Traction, Preferred	95	95	93	91	91	87¾	89	Feb. 22	83	May 21	90½							
25,000,000											Mexico North Western Railway																		
20,000,000		16,381,333		7				1st Nov. '13	q. 1¾		Mexico Tramways Co.																		
25,206,000	12,603,400	[illegible]	14,750,595	7	7	7	3½	15th Apr.	s. 3½	5.73	Minn., St. P. and S.S.M., com	134¾	116½	126¾	116½														
2,963,970		32,771,487	1,264,166	10	10	10	5	1st Aug.	q. 2½	6 94	Montreal Tramways	230	190	220	220			181	Jan. 5	175	Feb. 19								
9,000,000	3,481,600	12,022,000	1,704,720	5	5	5	2½	15th June	q. 1¼	6.84	Northern Ohio Traction			73	73								40						
3,000,000	1,000,000	4,017,667	49,922	4	3			1st July '14	p. 1	10.53	Porto Rico Railways Co., Com	71	45	51	45	49½	30	42	Jan. 27	35	Jan. 3								
				7	7	7	5¼	3rd July	q 1¾	8.75	" " " " Pref	103½	101			30						100	90						
9,999,500		10,797,000	347,499					15th Jan. '12	q. 1 p	8.00	Quebec Railway L., Heat & P. Co.	16¾	10	20½	9⅛	45	14	35½	Jan. 2	16⅛	July 20	34⅛	33⅛	21⅛	20	22⅛	19½	20	400
966,400			393,791	8	8	10+2		1st Jan.	a. 8		St. Law. & Chi. Steam Nav. Co.	110	*99	130	100														
12,000,000		3,482,067	5,841,738	8	8	8	6	3rd July	q 2	10.66	Toronto Railway	144¾	110	117½	111	111	72	90⅛	Mar. 12	73	July 1	92¼	92	75⅛	74	75½	75	75½	52
9,000,000	3,000,000	12,305,000	535,055	6	6	6	3	1st July	q. 1½	6 74	Tri-City, preferred			89	89														
22,000,000	3,000,000	20,263,000	6,919,635	6	6	6	4½	2nd July	q 1½	7.05	Twin City, common	108½	99¾	101	93	101	93⅜	95	Jan. 3	84	July 3	97½	97						
9,000,000		12,021,196	2,.028288	12	12	12	10½	1st Jan.	q. 2	6.00	Winnipeg Electric	210½	188	186½	180	110	90	81	Jan. 12	38	Aug. 9			43	36	42	36	42	77

TELEGRAPH, LIGHT AND POWER UTILITIES

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	19	1915	1916		Date	Rate	Yield		Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Aug. 9 High	Date	Low	Date	Close Aug. 17 1916 Ask	Bid	Close Aug. 16 Ask	Bid	Week ending Aug. 17 High	Low	Last	Sales
18,000,000		11,149,000	1,249,135	8	8	8	6	15th July	q. 2	5.81	Bell Telephone	159¼	140¾	159	140	152	140	150	Feb. 5	136⅜	July 30	149	147⅛		135⅛	138	136⅛	137	52
4,882,000			3,234,018	10	10	10	5	2nd July	q. 2½	6.66	Consumers Gas	180	169	185	176	176	160	165½	May 10	150	July 9				149	152	152	152	2
1,850,000		2,999,813	271,975								Calgary Power	59	53																
41,380,400			1,355,899	5	5	5	3¾	2nd July	q. 1¼	7.45	Mackay, common	88	75	84¼	71	87	78	90	Feb. 17	80⅛	Aug. 9	83½	83	81	80	81	80¼	80⅛	145
	50,000,000			4	4	4	3	2nd July	q. 1	6.20	" preferred	71	65½	70¼	65	69¼	64½	68	Jan. 16	63⅞	Aug. 2	68⅛	67½	65	64	64⅞	64⅞	64⅞	10
13,585,000		21,073,833	318,522	4	p	p	p	15th Jan '14	q. 1		Mexican Light and Power Co., com	49⅞	32½	46	46	15	15						46						
	6,000,000			7	p	p	p	1st Nov. '13	s. 3½		" " " pref																		
18,778,266		10,152,000	5,742,273	9½	10	10	8	15th Aug.	q. 2½	4.73	Montreal Power	230	211	241¾	211	249¾	218						237						
3,483,520		1,275,000	765,296	10	8	6½	4½	2nd July	q. 1½	8 00	Ottawa, Light, Heat and Power Co.	172	124	123	120	95¾	92	92	Jan. 17	75	Aug. 8				77	77	77	77	25

INDUSTRIALS AND MISCELLANEOUS

Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	19	1915	1916		Date	Rate	Yield		Range 1914 High	Low	Range 1915 High	Low	Range 1916 High	Low	Range 1917 to Aug. 9 High	Date	Low	Date	Close Aug. 17 1916 Ask	Bid	Close Aug. 16 Ask	Bid	Week ending Aug. 17 High	Low	Last	Sales
3,5[illegible],000		960,000	203,236								Ames Holden McCready Co., com	16	6	23	7⅞	35	19½	23¾	Jan. 3	14	Aug. 9	25	23	16	15	16	14	16	322
	2,500,000			7	5¼			1st July '14	q. 1¾	14.00	" " pref	70¼	54	75	55	80½	52	61	Jan. 9	48	Mar. 1	65	60	49	48¾	50	48¾	48¾	185
1 88,900			1,591,599	7	7	7	3½	21st May	s. 3½	8.75	British Col. Packers, com							44	July 24										
	357,500			7	7	7	2	21st May	s. 2	6.19	" " " pref	143½	111	124	105	147½	58												
750,000			336,266	6	5½	4	2	2nd July	q. 1	5.33	F. N. Burt Company, com	88	67	72½	70	88	72	85	Feb. 23	75	Aug. 2	83	80						
	1,975,200			7	7	7	3½	2nd July	q. 1¾	7.89	" " pref	100	89	75	89	96	86	93½	Mar. 5	88¼	July 10	95	93						
2,500,000	1,250,000	1,209,300	234,164								Canada Bread, com	33	18½	31⅛	29	30	16½	17	Feb. 6	15	May 19	21		21⅛	20	20	20	20	75
				7	7	7	5¼	2nd July	q. 1¾	8.23	" " pref	92	89½	90¼	90	90	87	86½	Jan. 5	85	Mar. 5			85	80	85	85	85	7
1,177,500	602,450	301,750	151,553								Carriage Factories, com																		
13,500,000		7,448,680	2,675,233					16th May	q. 1¾	11.29	Canada Cement, com	32	28	48½	28	73	37¾	69⅞	Jan. 4	56	Feb. 1	60½	59½	62	61⅛	62	61¼	61¼	510
	10,500,000			7	7	7	3½	16th May	q. 3	13.04	" " pref	93	98½	98½	89¾	9	86	95¾	Jan. 6	90	Feb. 3	93	91	90½	89⅛	92	90⅛	91	129
3,975,000		9,072,698	1,573,798	4	2			2nd June '14	s. 2d	13 33	Canadian Car and Foundry, com	70	48	120	50	75	32	46⅛	Jan. 4	25¼	Jan. 19	52	49	32⅛	31	31	31	31	80
	7,000,000			7	5¼			1st Apr. '16	q. 1¾	10.14	" " " pref	109½	98	127	98	94	1¾	89	Jan. 3	59	Jan. 19	78	74	70	69	69	69	69	25
1,733,500		399,000	202,290	4	4	1	1	15th Aug.	q. ½	5.00	Canadian Converters	40	34	34	34	46	34	43	July 11	39	Feb. 21		30						
2,715,500		4,811,000	1,437,926	6	6	6		4th July	q. 1	7.69	Canadian Cottons, Limited com	39	24	40	24	65	39	56	Jan. 3	51	Feb. 5	49	44⅛						
	3,661,500						14½	4th July	q. 1⅛	7.77	Canadian Cottons, Limited, pref	79	70⅛	77	71	82⅛	75⅛	82	Jan. 1	76½	Apr 2	79⅛	79		75	77⅛	77	77	31
1,600,000	1,500,000		697,836	6	6	6	3	15th Dec.	s. 3		Canadian Fairbanks-Morse, pref.	92	92	95	95														
960,000		151,900	895,316			10	12	15th Aug.	q. 3	8.00	Canadian Foundries & Forgings, co					217	170	205	Jan. 4	150	Mar. 28					170	170	170	5
	960,000			7		7+3½	7	15th Aug.	q. 1¾		" " pref					90	85	94	May 28										
2,000,000	1,500,000	1,545,000	142,807								Canadian Locomotive Co., com	45	30	64⅛	30	64⅛	51	64	Apr. 12	52⅜	Feb. 3	57	57	62	61	62	61⅛	61½	130
				7	7	7	5¾	1st July	q. 1¾	7.95	" " pref	*90½	85	90	78	99	81	91½	Apr. 11	84	Feb. 8		87½						
2,805,500		5,097,000	2,862,397	4	4			15th Oct. '14	q. 1	4.44	Can. Consolidated Rubber, com	91	91	91	91	91	84	97½	Jan. 30	90	Mar. 22	105	95						
	3,000,000			7	8¾	7	5¼	30th June	q. 1¾	7.25	" " pref	*97	96⅛	101	100	97	91	97	July 3	95	Mar. 22								
8,000,000		1,367,751	3,707,119	7	7	7	5¼	2nd July	q. 1¾	6.79	Canadian General Electric, com	114⅞	90¾	128	90¾	121	108	115½	Jan. 24	100⅛	July 6	120	118	103	102	103⅛	103	103	110
	2,000,000			7+1	7	7	3½	1st Apr.	s. 3½	6 66	" " pref			110½	110	112	110	106	Feb. 1	94½	Jan. 31								
1,200,000		500,000	353,391								Carriage Factories, Limited, com			53⅛	35⅛	44	29¾	25	Jan. 13	9¾	June 18								
13,612,500		10,012,762	2,5[illegible]7,928	6	6	6	7¼	10th July	q. 1¾	5.83	Shawinigan Water and Power Co.	142¾	111	139½	110	137	126¾	130½	Jan. 2	119	July 19	132		120	119	120	120	120	70
	1,200,000					½		15th July '15	q. 1¾	10.00	" " pref			81	75	75	60	30	Mar. 30						30	30	30	30	75
565000		65,918	96,839	7	8	8	6	3rd July	q. 2	7.09	City Dairy, com	102	98	100	98	98	89	70	Apr 3						60	60	60	60	6
	700,000			7	7	7	5¼	3rd July	q. 1¾	.21	" " pref.	101¾	98	102	98	100½	92					100	98						
6,500,000			749,100	8	7¼	5¾+3	4	15th Aug.	q. 2	5.53	Dominion Bridge Co.	122½	107	230	107	231½	160	170	Jan. 4	125	June 23	220	216⅞	147	145⅛	146	144	146	468
752,200		1,878,000	180,813	6	3	1p	p	1st Apr. '14	q. 1½		Dominion Canners, com	68⅝	27⅛	35	31	22	15	26	Mar. 6	19	Jan. 3	[illegible]	8			90⅝	90½	90½	65
	2,290,600			7	7	7	1¾p	1st Apr. '15	q. 1¾	9.33	" " pref	96	80			65	61⅛	78	Feb. 7	65	Feb. 3	63	58						
32,097,700	7,000,000	25,669,076	6,784,844	4	1	p	p	2nd July	q. 1	6.50	Dominion Steel Corporation, com	41⅞	19⅞	51	19⅞	82	43	71¼	Jan 4	52¾	Feb. 3	55⅛	55¼	61¾	61⅛	62⅛	60¾	61⅛	2,146
	5,000,000	14,286,106		7	3½p	p	7	1st Apr.	q. 3½		Dominion Iron and Steel, pref.	*94	68	96	71	105	90	95	Jan. 3	89	May 28	96	93						
15000,000	3,000,000	6,482,500		7	7	7	3½	1st Feb.	s. 3½	7.77	Dominion Coal, pref	106	97⅛	101	98	99	93	96⅛	Jan. 22	85	July 6	82	79½	84	83	84	83¼	84	55
5,000,000		3,697,775	881,926	6	6	6	4½	3rd July	q. 1½	7.14	Dominion Textile, com	86⅝	60	77	64	90⅛	74⅛	89	May 25	76½	Feb. 3								
	25,975			7	7	7	5¼	16th July	q. 1¾	6.93	" " pref	106½	100	103	101	105	101	105	Apr. 26	99⅛	July 5		103	102	100	101	99¾	101	10
1,750,500		1,200,000	331,136								Goodwins, Limited, com	28	*23	28	26	40	40						40						
	1,250,000			7	7	5¼d		25th July '14	q. 1¾		" " pref	*82	74			75	40	45	Mar. 20			75							
747,500		285,000	799,367	6	6	6	3	1st July	q. 1½	6.00	Goulds Manufacturing Co., com	97¾	97¼					100	Apr. 19										
	747,500			7	7	7	6	1st July	q. 1¾		" " pref																		
40,000,000		8,643,000	25,072								Lake Superior Corporation	22⅝	6⅝	9⅞	9⅞														
2,100,000		900,000	935,994	10	8	8	4	1st June	q. 2	6.40	Lake of Woods Milling Co., com	135	127	137	129	136⅛	122	130	Jan. 2	124	Apr. 13	129							
	1,500,000			7	7	7	3½	1st June	q. 1¾	6 03	" " " pref	120	120	122	120	129	116	116	Jan. 31			120							
9,600,000		753,807	701,624	8	8	8	6	3rd July	q. 2½	5.70	Laurentide	192¾	160	198	160	217⅛	176	195	Jan. 5	170	June 29	189½	189	175	170	173⅛	173⅛	173⅛	25
1,750,000		1,130,500	82,830		4						Lyall Construction Co., com					93	25	80	Mar. 21	64	Jan. 25			67⅛		70	67	67	85
	1,300,000										" " pref																		
3,000,000	1,766,800	200,000	247,710								A. Macdonald Co. com.	21¾	8	14	7	19⅛	10	15⅛	Mar. 12	8	Jan. 5	14	13	15	14	15	14¼	14¾	245
2,500,000			1,034				6	18th July	q. 2¼	8.82	Maple Leaf Milling, com	47⅞	25	68	30½	122	100	115	Mar. 21	90	Feb. 3		86					102	239
	2,500,000			7	7	7	5¼	18th July	q. 1¾	7.44	" " " pref	101	98	98	88	108	93	103	Feb. 10	92	May 15	94	90	94	93	92¾	92¾	92¾	50
2,949,600		856,664	2,170,170	4	4	4	2	15th June	q. 1	7.40	Montreal Cottons, Ltd., com.	58	56	56	51	63	50	58½	Jan. 4	49	June 11	53	51		54	54	54	54	25
	3,000,000			7	7	7	3½	15th June	q. 1¾	7 07	" " " pref	103	97¼	100⅛	99	115	99	103	Jan. 24	99	July 25	103							
1,275,000			194,889	6				1st Nov. '13	q. 1½	15.00	Monarch Knitting Co., com	40	25	27	25	40	25⅛	40	Jan. 2	35	Jan. 3		32						
	750,000			7	7	7	3½	1st Aug.	q. 1¾	8.75	" " pref	90	82	82	82	83	80	81	Jan. 10	80	Jan. 2		82						
6,000,00		9,833,309	2,110,609	6	4½			15th July '14	q. 1½	5.94	Nova Scotia Steel, com	79	39	107	45¾	154⅛	93¼	128	Jan. 4	88	Apr. 25	128	127⅛	105	104	109⅛	104	105	2,269
	1,030,000			8	6	12	2	14th July	q. 2 p	7.61	" " " pref.	120	110	125	110	115	110	112	Jan. 4	105	June 25	112⅛			110	110	110	110	10
2,500,000		2,350,000	512,061	8	8	8	6	2nd July	q. 2	5.40	Ogilvie Flour, com.	123	107	144	107	152	127⅞	150	July 24	137	Feb. 27	138			144	144	144	144	2
	2,000,000			7	7	7	3½	1st June	q. 1¾	6.36	" " pref.	117	105	120	113	116	44⅛	115	Jan. 19	110	Aug. 3	133	128		112	112	112	112	50
750,000		600,000	78,039								Ont. Steel Products, com					45	19	34	Jan. 4	18	Mar. 16								
	750,000					3	7	15th Aug.	q. 1¾	9.09	" " pref					91⅛	73	74	Apr. 14										
650,000			42,472	2	2	2	2	2nd July	s. 1	5.13	Pacific-Burt Co., com	32	*28	31	28	29	20	40	Mar. 20	28	Jan. 9	22	20						
	650,000			7	7	7	2½	2nd July	q. 1¾	8.75	" pref	85	82½	85	80	83¼	77⅛	82	June 8	80	Jan. 3	80		81	80¼	80¾	80⅛	80⅛	5
2,150,600		2,000,000	1,719,899	4	4	4	2	15th Aug.	q. 1	5.63	Penmans, Limited, com	55⅛	48	62	49	78	60	73⅛	Mar. 26	69	May 3	64	60	71		71¼	70	70	6
	1,075,000			6	6	6	3	1st Aug.	q. 1½	7.22	" " pref	84¼	79⅛	83	82	90	82	86	Apr. 10	81⅛	Jan. 3		81						
5,000,000		5,804,862	2,100,240								Price Bros	60	70			132	60⅛	134	July 25	115	Mar. 30			121	118	122	120	121	375
4,500,000	1,000,000	1,533,000	375,634	7	7	7	3½	30th June	q. 1¾	5.78	Riordan Pulp and Paper, com					150	59	127	Jan. 3	106	Feb. 3								
1,500,000			688,499	12	12	8	6	2nd July	q. 1½	9.23	William A. Rogers, Ltd., com	147	96	103	96	99	85	80	Feb. 15	65	Apr. 19	91							
	900,000			7	7	7	7	2nd July	q. 1¾	7.77	" " " pref	106	99	99	99	99	87	92	Jan. 4	*90	Feb. 14	94	90						
800,000		Def.	703,364	1¾				1st Feb. '13	q. 1¾	8.75	Russell Motor Car, com	20	5	50	10	114	32	92	Jan. 4	70	Feb. 3		57						
	1,200,000			5¼				1st Aug. '13	q. 1¾	6.25	" " " pref	49	25	76	25	139	66	122	Apr. 3	100	Jan. 1		90	110⅛		112	111¼	111¼	55
1,500,000		691,200	39,245								Sawyer-Massey Co., com	30	25	33	25	30	20	24	Mar. 16	8	May 21	20	18		10	10	10	10	25
	1,500,000			7	3½			2nd June '14	q. 1¾	7.78	" " pref	88	69	76	69	134⅛	58					74							
4,000,000		1,950,000	1,080,988								Sherwin-Williams, com	60¼	53	57½	55	99⅛	53⅛	59¾	Mar. 9	56	Feb. 5	55							
0	3,000,000			7	7	7	3½	30th June	q. 1¾	7.07	" pref	104	97	100	98¼	100	97⅛	100	Jan. 6	98	Jan. 11								
8,750,00			450,597	6	6	6	4½	2nd July	q. 1½	4.58	Shredded Wheat, com	90¾	.78	102	92	140⅛	102¼	137¾	Mar. 1	130	June 1	130⅛	130						
	1,250,000			6	6	6	4½	1st July	q. 1½	6 25	" " pref	*94	*92½	99	93	120	95	95	Feb. 19	95	Feb. 19		98						
1,718,600			417,716	5	2½p			2nd July	q. 1¼	9.09	Smart-Woods, Ltd., com	20	18	15	20	65	33	55	Jan. 12	44	Aug. 6	41							
	1,547,000			7	5¼p		5¼	2nd July	q. 1¾	8.75	" pref			45	20	101	84	80	May 9			90							
8,000,000		5,332,113	226,860								Spanish River Pulp Mills, com	16¾	9	9⅝	3	24¼	3½	19	Jan. 4	12⅛	Aug. 8	13¾	12	16⅛	15½	16¼	13	15	910
	5,699,100			3½P				15th July '13	q. 1¾	14.00	" " " pref	*51	31	35	35	70	29	59¼	Jan. 11	50	May 5	43		50	47½	50⅜	47	50⅜	173
11,500,000		10,050,000	4,272,453					1st Aug.	q. 1x½		Steel Co. of Canada, com	20	11	48	8⅛	88¼	34¼	71⅛	Jan. 4	52	Feb. 3	58¾	57½	58¼	57¾	58⅛	58	58	828
	6,496,300			7	3½p	7	5¼	1st Aug.	q. 1¾	7.69	" " " pref	87⅜	69	95	69	107¼	82⅜	100⅛	Jan. 2	89¼	July 12	88¼	87⅜	92	90⅛	91⅜	90⅛	90⅛	754
650,000											Tooke Bros., com	26	15	18	16	25	16					23							
	985,000		71,518	7	7	3½	1¾p	31st May	q 1¾	9.72	" " pref	81	75			83	78	79	Jan. 4	72	June 12								
750,000		500,000	120,673	1,88	6¾	1½p		2nd July	s. 2	5.	Toronto Paper Co	61	30	45	25	96	44	90	May 17	72	Jan. 16	50	44						
2,500,000			218,962								Tuckett Tobacco, com	47	29	29¼	29	25	23½	22⅛	Jan. 18	19	June 1		20						
	2,000,000			7	7	7	5¼	14th July	q 1¾	8.75	" " pref,	101	90¼	90	90	90	75	83⅛	Jan. 18	78	Apr. 30		86½						
5,000,000		3,500,000	691,225								Wayagamack com	32⅜	21	26½	26			*95	Jan. 11	60⅛	July 27								

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—in dicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Bonds, Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	LOAN AND TRUST	Range for Year 1915 High	Low	Range for year 1916 High	Low	Latest Price Ask	Bid	Last Sale
1 205,000	4,122,853	1,244,392	9	1st Jan.	q. 2¼	Canada Landed	162	157⅛	163	157⅛		159	159⅛
6,000,000	20,905,085	5,195,652	10	15th Mar.	q. 2½	Canada Permanent	188	183	183	168⅝		167⅛	167½
1,750,000	6,225,008	1,773,242	10	15th Mar.	q. 2½	Central Canada	190	190			190		
2,452,867	725,667	403,966	6	31st Dec.	s. 3	Col. Investment, pref.	81	78	76	70		75	77
934,395	1,062,481	240,929	5	2nd July '15	s 2½	Dominion Savings	81	81	80	80		81	73
2,410,925	2,458,069	685,002	8	2nd July '15	s. 4½	Great West Per							89⅛
1,200,000	2,598,876	1,014,033	8	31st Dec.	s. 4	Hamilton Provident	140⅛	135	140	138		141	141
2 458,414	11,516,497	2,840,662	12	31st Dec.	q. 3	Huron and Erie	211	209	114	209		209	208⅛
978,500	1,914,623	728,163	8	31st Dec.	s. 4	Landed Banking	147	147	145	144		145	147
1,250,000	3,112,314	748,734	8	15th Mar.	q. 2	London and Can. Loan	136	131	135	132		134	130
882,889	1,761,804	341,690	1½+8	15th Mar.	q. 1½	London Loan and Sav							
600,000	275,170	705,277	10	15th Mar.	q. 2½	Montreal L. & Mtg. Co.	176	165	175	160			165
1,500,000	6,986,333	1,573,560	10	31st Mar.	q. 2½	National Trust	233	233	210	210	223		210
1,750,000	4,457,590	1,800,012	9	31st Dec.	q. 2¼	Ont. Loan and Deb.	173	179	175	169		175	160
500,000	655,690	226,408	7	31st Dec.	s. 3½	Real Estate Loan							103
1,500,000	32,104,188	1,848,813	10	31st Dec.	q 2½	Toronto Gen. Trusts	210	291½	212	205⅛		207	207
724,550	88719 25	527,834	8	31st Cec.	q. 2	Toronto Mortgage Co.	138	128	140	134		140	140
,000,000	1,344,920	937,661	5	1st Mar.	q. 2½	Toronto Savings							185
,000,000	7,00,1000	991,336	10	30th Dec.	q. 2½	Union Trust							178
,000 000		5 946.27	4	1st Ap. r	s. 4	Canada Life Assurance							193

Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstanding	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Per cent.	MISCELLANEOUS COMPANIES	Range for year 1915 High	Low	Range for Year 1916 High	Low	Latest Price Ask	Bid
1,500,000		1,894,479	5	1st Oct	s. 5	Canadian N. Prairie Lands						
800,000	300,000	395,959		1st Oct. '15	q. 2	Canadian Salt	115	110	140	124	135	120
59,133		1,752,420	5	13th Mar.	5	Can North-West Land						
		2,390,163	20	30th Dec.	q. 5	Confederation Life A.			350	330	335	320
6,212,667		531,499	6	1st June	1½	Crows Nest Pass Coal	100	100	83	71	80	
1,000,000		291,961	6	15th Jan.	q. 1½	Dominion Telegraph			90	86		90
3,000,000	3,984,500	77,642				Electrical Dev., pref.						
450,000	p2,909,000	1,458,082	10	1st Jan.	q. 2½	Imperial Life Assur						
500,000	b 232,000		p	1st Mar. '12	s. 2	Intercolonial Coal						
	p 219,700	797,531	p	1st Mar. '12	s. 3½	Intercolonial Coal, pref						
3,000,000		513,930		1st Mar. '14	1	Intern. Coal and Coke						
2,196,000	2,000,000	421,140	6	15th Jan.	q. 1½	Kaministiquia Power						
556,000	b 666,000	109,976	3	3rd Jan.	s. 3	London Street						
2,000,000		118,225	8	3rd Jan.	q. 2	Montreal Telegraph			136	135		135
925,000	b1,123,000	248,379				Nia., St. Kath. and Tor.						
1,000,000	b1,250,000	176,188				Saint John Ry.						
1'164,000	b 756,500	199,996		10th July '15	q. 1¼	Trinidad Electric	105	100				
2,124,700	1,598,057	575,484	8	15th Dec.	q. 2	W. Can. Flour Mills	80	80	118½	102		
800,000	b 600,000	541,374	5	1st Jan.	q. 1¼	West India Electric						

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912; Feb. 1st and Nov. 17th, 1913, and December 1, 1914.

DIVIDENDS DECLARED.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF TWO-AND-ONE-HALF PER CENT., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Saturday, the FIRST DAY OF SEPTEMBER next, to Shareholders of record of 31st July, 1917.

By order of the Board.

FREDERICK WILLIAMS-TAYLOR
General Manager

Montreal, 20th July, 1917.

The Royal Bank of Canada

DIVIDEND No. 120.

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of Twelve per cent. per annum) upon the Paid-up Capital Stock of this Bank, has been declared for the current quarter, and will be payable at the Bank and its Branches on and after SATURDAY, the FIRST DAY OF SEPTEMBER next, to Shareholders of record of 15th August.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, P.Q., July 17, 1917.

The Canadian Bank of Commerce

DIVIDEND No. 122.

NOTICE is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending the 31st of August next, and that the same will be payable at the Bank and its Branches on and after Saturday, 1st September, 1917, to shareholders of record at the close of business on the 16th day of August, 1917.

By order of the Board,

JOHN AIRD,
General Manager.

Toronto, 28th July, 1917.

The Ogilvie Flour Mills Co., Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of one and three-quarters per cent. has been declared on the Preferred Stock of THE OGILVIE FLOUR MILLS CO., LIMITED, payable Saturday, the first day of September, 1917, to shareholders of record at the close of business Thursday, the twenty-third day of August, 1917.

By order of the Board.

G. A. MORRIS,
Secretary

Montreal, August 14th, 1917.

The McKinley-Darragh-Savage Mines of Cobalt, Limited

NOTICE is hereby given that the Board of Directors of this Company, at a meeting held on the 7th day of August, 1917, declared the regular quarterly dividend of three per cent., payable on the 1st day of October to stockholders of record at the close of business on the 8th day of September, 1917.

The transfer books of the Company will not be closed.

McKINLEY-DARRAGH-SAVAGE MINES OF COBALT, LIMITED
Harper Sibley, Treasurer

Dated at Toronto, Ontario, August 7, 1917.

Canadian Pacific Railway Company

DIVIDEND NOTICE

AT a meeting of the Board of Directors held to-day, the following dividends were declared:—

On the Preference Stock, two per cent. for the half-year ended 30th June last.

On the Common Stock, two and one-half per cent. for the quarter ended 30th June last, being at the rate of seven per cent. per annum from revenue and three per cent. per annum from Special Income Account.

Both dividends are payable 1st October next, to shareholders of record at 1 p.m. on 1st September next.

By order of the Board.

ERNEST ALEXANDER,
Secretary

Montreal, 13th August, 1917.

MADE GOOD SHOWING

Public Utilities of Edmonton Did Well First Half of Year

For the six months ended June 30, the four public utilities of the city of Edmonton showed a total surplus over operation and maintenance of $365,537. This was divided as follows: Electric light and power, $143,151; telephone, $92,165; waterworks, $87,732; street railway, $42,488.

STOP INSURANCE SOLICITATION BY BANK MANAGERS

Continued from page 1.

called the Ministers' attention, the principle is wrong to allow the manager of a bank to carry on an insurance business and indirectly and surreptitiously take away from other men business which rightly belongs to them."

That the condition of affairs was not peculiar to the Province of New Brunswick, but existed generally throughout Ontario as well, was the statement of Mr. Glass, M.P., who added that in his district it was quite a common thing for a bank manager, especially in the smaller places, to have the supervision and control over insurance. He agreed that it was an injustice to those engaged in the business, and in addition stated that the same condition of affairs existed in relation to managers of loan companies.

Mr. Turgeon, M.P., the author of the amendment to the Bank Act, on behalf of the bank managers in rural districts, "who were not getting the salaries they should have from the banks," reiterated a former suggestion to Mr. Carvell that the raising of the salaries of bank agents to a fair minimum would do away with the practice.

Hon. J. C. Doherty acknowledged that he was much impressed with what had been said on the subject, and added that it appeared on the face of it to be a matter that might very well call for legislative action.

Practice is Injudicious.

THE FINANCIAL POST discussed the matter with prominent bank officials, and the consensus of opinion was that the practice of bank managers engaging in insurance as a side line was injudicious, and that the practice was being discouraged as much as possible.

C. A. Bogert, vice-president of the Canadian Bankers' Association, stated that this practice was not indulged in to any great extent at the present time. While there was no definite prohibition or any hard and fast rules concerning the matter, yet it has been the practice of the officials at the head of the banks to discourage managers from directing their attention to other lines.

"It is an injudicious practice for bank managers to be dabbling in other things when they should be attending to their own business," said Mr. Bogert.

W. D. Matthews, vice-president of the Dominion Bank, was also of the opinion that the practice of bank agents engaging in other pursuits was on a much smaller scale to-day than in years past, and added that in his opinion the insurance companies themselves had much to do with the curtailing of the practice.

FINANCING INDUSTRY

Forty-six Million Pounds Advanced So Far To British Firms

In the British House of Commons recently Sir Henry Dalziel (L., Kirkcaldy Burghs) asked the Prime Minister whether he was now able to state the amount of public money that had been advanced to firms and companies since the commencement of the war.

Mr. Bonar Law: Apart from the sums advanced under schemes for the restoration of credit at the commencement of the war, the total advances out of Votes of Parliament to private concerns (including firms and companies) by way of loan repayable in cash since the outbreak of war amount to approximately £46,000,000, of which about £27,500,000 has been repaid to date.

In reply to supplementary questions, Mr. Bonar Law said that he was not aware of any losses to the State in connection with the transactions referred to. In some cases there had been special public advantage in making the advances, for they had facilitated the work of securing supplies through the firms concerned.

UNITED PUBLISHERS OF CANADA, LIMITED.

PUBLIC Notice is hereby given that under the First Part of Chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 16th day of July, 1917, incorporating Donald Lorne McDonald, Accountant, John Campbell, solicitor, Jacob Henry Greenberg, student-at-law, Oral Nathan Birchard, filing clerk, and Eldon Moir, druggist, all of the City of Toronto, in the Province of Ontario, for the fololwing purposes, viz.:—(a) To carry on the business of publishers, booksellers, stationers, printers and lithographers and to acquire, possess and dispose of copyrights; to acquire, control, purchase and operate newspaper; to carry on the business of importers of, dealers in and manufacturers of paper, paper materials and paper substitutes of all kinds; (b) To purchase, acquire for cash or capital stock of the company, the capital stock, stock in trade, assets and good-will, and to control manage, operate and dispose of as a going concern the business now being carried on by Manufacturers Press, Limited, a corporation incorporated under The Dominion Companies Act; (c) To purchase, acquire and dispose of shares in any other company or companies having objects similar to this company; (d) Out of the funds of the company to pay all expenses incidental to the incorporation and organization of the company. The operations of the company to be caried on throughout the Dominion of Canada and elsewhere by the name of "United Publishers of Canada, Limited," with a capital stock of two hundred thousand dollars, divided into 20,000 shares of ten dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 16th day of July, 1917.

THOMAS MULVEY,
Under-Secretary of State.

INCREASED EFFICIENCY

Figures Showing How U.S. Railroads Are Breaking Records

Gratifying indication of the extent to which the railroads of the United States are making effective their effort to produce greater transportation efficiency to aid in winning the war is afforded by reports just received by the railroads' war board.

The first meeting of the war board was held April 23. Figures for May, the first full month following, show that the railroads rendered about 16 per cent. more freight service with practically the same number of cars and locomotives as last year.

Actual returns just now compiled are from railroads having 173,105 miles of line. The reports show that these lines in May last year gave service equivalent to carrying 25,426,845,011 tons of freight 1 mile, while this year they carried 29,522,870,109 tons 1 mile, an increase of exactly 16.1 per cent.

This great increase in service was rendered with a very slight increase in the amount of equipment used. The number of freight locomotives in service in May last year was 24,362, while this year the number was 24,483, an increase of one-half of 1 per cent.

Last year in May there were 1,800,842 freight cars in service, while this year the number was 1,833,921, an increase of 1 4-5 per cent.

A distinct mark of progress is the great reduction in the number of freight cars in the shop or awaiting repairs. Last year in May there were 113,147 cars under or awaiting repairs, while this year only 104,061 were in that condition. Locomotives in repair or awaiting repairs last year were 4,006, and in May this year 3,593, a reduction of 10.3 per cent.

Last year railroad locomotives ran an average of 65.6 miles per day, while this year they made 71.3 miles.

Freight cars made an average of 28.3 miles a day in May last year, and this year 29.6 miles, an increase of 5 per cent. In the same period the mileage of cars moving empty was reduced by 5 per cent., while the mileage of cars moving under load was increased by 9.5 per cent.

JOINT STOCK BANKS.

An Historical Note on the Progress of These Institutions in London.

The first joint stock bank formed in London was the London and Westminster, established in 1834 with a paid-up capital of £50,000, the original idea being to provide banking facilities for London only. Two years later the London and County Bank was created, and when the two institutions amalgamated, forming the London County and Westminster Bank, the combined offices numbered 309. In 1907 the Bank purchased the business of F. Burt & Company, foreign bankers, of Cornhill, thus starting a foreign exchange business, and in 1913 the Directors decided to extend their interest to Paris, where their business connections were already considerable, by forming an auxiliary company there under the name of the London County and Westminister Bank (Paris), Ltd., with a subscribed capital of £400,000, the shares being held by the parent institution. Last year, in conjunction with Lloyd's Bank and the Credito Italiano, the London County and Westminister helped to found the British Italian Corporation in England and the Compagnia Italo-Britannica in Italy for the purpose of promoting closer commercial and financial relations between Great Britain and Italy. At the present time connections in Spain are being developed, the bank having already established branches in that country. It should be stated that the honor of being the pioneer in developing Anglo-Spanish banking relationships rests with the Anglo South American Bank, one of the most progressive of that important group of British banks working overseas. It opened at Barcelona at the end of last year, and has since established further branches at Madrid and Bilbao.

Questioned as to the rate of interest being paid on money lent to the Allies and Dominions, Bonar Law, Chancellor of the Exchequer, said recently: "The rates have varied according to the financial position at different times, and I do not think that it would be right to make them public."

United States railroads plan to keep positions for employees who enlist and to provide training for disabled soldiers to make them self-supporting.

SMALLER BONDS RECOMMENDED BY BOND DEALERS

Continued from page 1.

certificates, to exchange for a $50 bond, or when he had ten to exchange for a $100 bond.

This plan of participation certificates worked admirably in the Liberty Loan. It attracted subscriptions from thousands of persons whose support would have been lost if the Government had depended on a $100 bond as the lowest denomination. Small subscriptions of the sort not only roll up into substantial sums, but encourage thrift among people of small means, with cumulative benefits later on.

To Draft Definite Plan.

The Eastern section of the Bond Dealers' Association met here again yesterday, and passed on a number of suggestions to the committee. These will be put into shape by the committee, and then probably after a consultation with the committee of the Western section, a definite plan will be laid before the Minister of Finance.

Planning Future Loans.

J. M. MacKie, chairman of the Eastern section of the Association, stated after yesterday's meeting that the problem before the dealers was the creating of machinery for the marketing not only of the next loan, but of any subsequent loans in the war period. A central organization of a national character and nonpartisan, it was felt, was necessary to direct a patriotic campaign that would reach all parts of the country and secure the support of many thousands of Canadians who were not reached in the earlier loans.

"Canada's finances stand better today than those of any belligerent, with the exception of the United States," remarked Mr. Mackie, "and we must endeavor to impress upon every one who has a savings bank account that no investment in Canada can equal the security of a Dominion Government bond. We feel that there are thousands on farms and in factories whom we can enlist in support of any future loans if we go the right way about it. Just how we can best mobilize this army of potential subscribers is what we are working on now, and we hope to evolve before long a plan which will meet the approval of the Minister of Finance."

TAXES AND INSURANCE.

American Proposals Considered an Economic Error.

The insurance interests of the United States are strongly opposed to that section of the proposed tax bill which provides for a tax on surplus earnings of corporations remaining undistributed. They claim that the surplus reserve is a fundamental principle of insurance and any laws that will impair it will jeopardize the existence of many insurance companies.

Henry Evans, President of the Continental Fire, American Eagle and Fidelity-Phoenix Fire Insurance Companies, has addressed a letter to President Wilson on the subject which reads as follows:

The purpose of the tax is evidently to impose such a prohibitive burden upon undisturbed profits of all corporations except those which are freed from the operation of the act, as will require a distribution to stockholders of all profits in order that they may become taxable as income of the stockholders and not remain free from income taxation until after the war.

As applied to fire insurance companies this legislation will creat so unsound a business condition as to affect the stability of fire insurance companies throughout the country. No fire insurance company can conduct its business with proper regard either for the interest of its stockholders of its policyholders except upon the principle of accumulating net income during the periods when it is able to secure a profit in order that the funds so accumulated may be distributable to policyholders during periods when it is called upon to respond to losses in excess of its income. Any fire insurance company conducting its business upon a basis of distributing its entire net earnings to its stockholders is doomed to failure and its policyholders are certain to find that the policies do not provide the safe indemnity which property owners are entitled to. A bill which recognizes the propriety of allowing banks to accumulate 20% of their net income should in the interest of the people of this country, if not in the interest of the corporations themselves, allow equal or greater consideration to insurance companies.

The importance of this subject is so great and so widespread, in that all property owners throughout the country are affected, that I take the liberty of bringing the subject to your personal attention with the hope that you will recognize the importance of the matter and use your influence with the Congress to correct the serious economic mistake which will apparently otherwise be made.

A BIG GAIN.

Three Years' Increase in Bonds Listed on N. Y. Stock Exchange.

On July 30, 1914, when the New York Stock Exchange was closed on account of the outbreak of the European war, $14,345,236,883 bonds were listed on the floor, compared with $17,051,198,073 on July 30, 1917, a gain of $2,705,961,190 in new issues in the three years.

The greatest gain was made in the foreign security class, which advanced from $1,986,264,100 to $3,321,311,000, a gain of $1,335,046,900, which formed nearly 50% of the new listings. Railroad bands came second with a gain of $673,835,550, or 25% of the total and about one-half of the listings in the foreign security class.

The United States Government issues class shows a relatively very small increase, due to the fact that the Liberty Loan 3½s are at present traded in on a "when issued" basis, and consequently this $2,000,000,000 loan is not included among the United States Government listings.

The city and county class was the only one which failed to show an increase. No new securities were added in this class and an issue of $975,000 was paid off.

BANK OF ENGLAND NOTES.

Bank of England notes for £1 were first issued in 1797, and withdrawn in 1821. Notes for £1,000 are the highest ever issued.

During the first three years of the war 815 companies, with a grand authorized capital stock of $1,016,416,000, were organized in the United States for the development of oil and gas resources.

Allis-Chalmers seems reasonably certain of enjoying in 1917 the most prosperous year in its history, says a Boston despatch. Certainly the volume of unfilled orders on hand is sufficient to warrant the assertion that gross and net will both break into new high ground.

REVIEW OF MARKET FOR MINING SHARES

Name.	Capital Authorized	Capital Issued	Week ending Aug. 17 High	Week ending Aug. 17 Low	Sales	Close Aug. 17 Asked	Close Aug. 17 Bid
COBALT STOCKS—							
Adanac	$ 2,500,000	$2,250,000	.17	.15	17,600	.16½	.16
Bailey	5,000,000	4,250,000	.04	.04	1,000	.03¾	.02½
Beaver Cons.	2,000,000	2,000,000	.37	.33	12,700	.37	.36½
Buffalo Mines .. .	1,000,000	1,000,000	...	...	....	...	...
Cham.-Ferland . .	2,500,000	2,312,850	.13½	.13	1,800	.14	.13½
Coniagas	4,000,000	4,000,000	4.15	4.05	210	4.25	4.10
Crown Reserve ...	2,000,000	1,999,957	...	...	....	...	...
Foster	1,000,000	915,588	...	...	....	...	...
Gifford	250,000	....	.05	.03⅝	4,500	.05	.03⅝
Great Northern ..	1,500,000	1,500,000	.07½	.07	3,000	.07¾	.06¾
Hargraves	2,500,000	2,500,000	.12	.11⅛	15,500	.12	.11¾
Hudson Bay	25,000	7,761	38.00	38.00	15	38.00	37.50
Kerr Lake	3,000,000	3,000,000	5.30	5.30	50	5.55	5.30
La Rose	7,500,000	7,493,135	.53	.47	2,815	...	.49
McKin.-Dar.-Sav. .	2,000,000	2,247,692	.58	.53	9,500	.60	.58
Nipissing	6,000,000	6,000,000	8.05	7.70	1,315	8.05	8.00
Ophir	685,000	....	.09	.08¼	9,500	.08½	.08
Peterson Lake ...	3,000,000	2,401,820	.10¾	.10	4,600	.11	.10½
Right of Way .. .	2,000,000	1,685,500	...	...	....	...	...
Seneca-Superior .	500,000	478,884	...	...	....	...	...
Temiskaming	2,500,000	2,500,000	.33	.32	37,800	.33	.32¼
Trethewey	2,000,000	1,000,000	.19	.18	5,200	.19	.18½
Wettlaufer	1,500,000	1,416,590	...	...	....	...	...
PORCUPINE STOCKS—							
Apex	2,000,000	1,300,000	.05½	.05¼	3,500	.06	.05½
Dome Cong.	2,500,000	1,250,000	...	...	....	...	...
Dome Extension. .	3,000,000	2,200,000	.16½	.16	6,000	.16½	.16
Dome Lake	2,000,000	1,227,017	.18	.17½	1,900	.18½	...
Dome Mines	5,000,000	4,000,000	10.00	9.75	1,050	...	9.80
Foley-O'Brien .. .	3,000,000	2,500,000	...	...	....	...	...
Hollinger	3,000,000	3,000,000	4.50	4.33	1,135	4.50	4.40
Jupiter	2,000,000	1,867,786	...	...	....	...	...
McIntyre	3,000,000	2,999,995	1.52	1.47	20,400	1.55	1.54
McIntyre Extension	2,500,000	2,000,000	...	...	....	...	...
Porcupine Crown..	2,000,000	2,000,000	.38	.36	4,200	.40	.36
Porcupine Imperial	2,000,000	1,409,200	.02½	.02½	1,000	.03	.02½
Vipond	1,500,000	900,000	.32½	.32	16,400	...	.32
Preston E. Dome.	3,000,000	2,000,000	.04⅛	.04⅛	3,000	.04½	.04⅜
Schumacher	2,000,000	....	.49	.43	1,500	...	.47½
Teck-Hughes .. .	2,000,000	2,000,000	.55	.55	100	.55	.47
West Dome Con.. .	3,000,000	2,000,100	.18	.17¼	30,100	.18	.17¾
MISCELLANEOUS—							
Con. Min. & Smelt.	10,000,000	8,427,500	...	...	....	...	...

RETURNS GROW AS CANADA'S CROPS ARE HARVESTED

Continued from page 1.

area, but more probably is below three per cent. It is safe to say, however, that Manitoba will have a good paying crop with a very considerable amount for export, and it will be of excellent quality with a heavy percentage of No. 1 Northern Wheat.

Harvest Coming Fast.

Harvest is progressing rapidly in many parts of Southern Manitoba, and around Plum Coulee, Winkler and Morden, 50 per cent. wheat in stook and some of it threshed. Further west, much of the wheat will not be ready for ten days or two weeks. Oats and barley are both light, and will be materially below average yield, but even these crops have materially improved since Aug. 1. Of course, 300 miles of motoring does not give conditions in the whole Province, but the route was arranged to cover pretty fully the south, southwest, centre, west and northwestern portions, the centre and north are still to be visited, but as these sections have had more rain, they will increase rather than lower the general average of conditions.

Short Straw a Blessing.

In the northwestern part, around Hamiota, Cranall, Oak River and Oakner, there are miles of wheat that will average 25 to 30 bushels to the acre. Labor is short everywhere, but Manitoba is less dependent on outside help than Saskatchewan and Alberta, because farms are smaller and more under the owners immediate control. The short straw is a blessing in disguise, as the sheaves are not so heavy to handle, and boys and women are doing most of the stooking. Help for threshing, however, will be necessary.

WANTS FEDERAL HELP

Provincial Treasurer of Alberta Thinks Dominion Should Assist

That the governments of the western provinces are not finding it an easy matter to finance their farm loan schemes is indicated by the action of the Hon. C. R. Mitchell, provincial treasurer of Alberta, who moved a resolution at the recent Liberal convention in Winnipeg declaring the belief of the convention that the federal government should make provision to lend money to the provinces for their rural credit plans, on the security of provincial bonds, whenever an economy in the cost to the farmers might be effected by such loans.

It was in the absence of action by the Federal government, said Mr. Mitchell, that the prairie provinces had devised their schemes of rural credits. He believed that at least when the present uncertain times were over the federal government should come to the help of the provincial governments. If the people could not get help from this Dominion government he hoped for it from the next, which, he was sure, would be Liberal.

RAILROADS IN FAVOR

American Government Well Satisfied With Their War Service

Canada's proposal to acquire the Canadian Northern Railway System has evidently raised some question in the United States as to whether the American Government might not sooner or later adopt a policy of state ownership in connection with American railways. That there is little likelihood of this is stated by the Financial World, which quotes the following:—

> "A banker who has had a great deal to do with railroad investments and with investors all over the country, recently had occasion to make a pretty thorough investigation in Washington, both as to sentiment in Administration circles and in the House and Senate, respecting Government ownership, and he found a large preponderance of feeling against extending any further power for the control of railroads of the country. The one great reason for this, he observed, was that the railroads, since the United States entered the war, had shown unusual capacity to organize on a strictly war basis and co-operate in the most effective way to aid the Government in every way and whenever called upon, and that they had made many sacrifices in a most cheerful and hearty way in order to expedite shipments and bring their operating forces up to the highest point of efficiency. The President, the House and Senate, and the Interstate Commerce Commission had all been greatly impressed by this display of patriotic loyalty, so that to-day the railroads of the country stand in a better light at Washington than ever before. The war, in the opinion of this observer, has put out of the minds of the great majority of influential interests at Washington any thought of Government ownership."

India's wheat acreage this year is 33,040,000 acres, against 30,143,000 last year, and the yield is estimated at 10,160,000 tons, against 8,518,000 tons last year.

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Incorporated by Royal Charter 1727.
Paid-up Capital - - £2,000,000
Rest & undivided profits £800,986
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St. Andrew Square, Edinburgh.
Cashier and Gen. Manager, A. K. Wright, Secretary, J. B. Adshead.
London Office, 3 Bishopsgate, E.C.
Wm. Wallace, Manager.
Glasgow Office, Exchange Square.
A. Dennistoun, Agent.
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The UNION BANK OF AUSTRALIA, Ltd.
Established 1837. Incorporated 1880.
CAPITAL:—
AUTHORIZED and ISSUED £6,000,000
Paid-up Capital..£2,000,000
Reserve Fund....£1,900,000 Together £3,900,000
Reserve Liability of Proprietors........ £4,000,000
Total Capital and Reserve £7,900,000
Head Office: 71, CORNHILL, LONDON, E.C.
DIRECTORS.
HENRY P. STURGIS, Esq. (Chairman).
Arthur P. Blake, Esq. William R. Mewburn, Esq.
The Rt. Hon. the Earl of Chichester. The Hon. A. B. Mills, M.P.
John Dennistoun, Esq. Robert C. Nesbitt, Esq.
Hugh D. Flower, Esq. Frederick G. Parbury, Esq.
Charles A. Galton, Esq.
S. R. Livingston-Learmonth, Esq. Sir Westby B. Perceval, K.C.M.G.
Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.
The Bank has 41 Branches in VICTORIA, 38 in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, 22 in WESTERN AUSTRALIA, 3 in TASMANIA, and 44 in NEW ZEALAND. Drafts upon these Branches are issued by the Head Office, and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

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MONEY, BANKING AND EXCHANGE

Bank Clearings in the West Show Decided Falling Off—For the Dominion the Gain is 7.8 per cent.

For the week ending Thursday last bank clearing returns reported officially to the FINANCIAL POST show a falling off as compared with the previous week, but compared with the corresponding period last year show a gain for the Dominion of 7.8 per cent. For the week the clearings amounted to $211,484,596 compared with $196,152,002 for the same period in 1916. Western cities showed a decline of $8,898,036, or 14.1 per cent., while in the East there was a gain of 18.2 per cent. The cities in the East to show the largest percentage gain were Brantford, Hamilton, Toronto, Ottawa and Halifax; while in the West Lethbridge, Vancouver and Medicine Hat also showed substantial gains. For the year to date the clearings amount to $7,669,384,615, an increase over the corresponding period in 1916 of $1,566,210,079, or 25.6 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.	Aug. 16, 1917.	Change.	%
Montreal	$ 80,866,747	+$ 10,931,684	15.6
Toronto	53,742,774	+ 10,766,907	25.0
Ottawa	5,252,974	+ 772,291	17.2
Hamilton	4,928,375	+ 1,342,265	37.4
Quebec	3,445,202	— 668,826	16.2
Halifax	2,653,231	+ 379,430	16.6
London	2,139,097	+ 280,740	15.1
St. John	1,764,749	— 71,453	3.8
Brantford	775,501	+ 318,171	69.5
Peterboro	586,168	+ 66,593	12.8
Sherbrooke	626,940	+ 44,851	7.7
Kitchener	521,252	+ 67,977	14.9
Total, East	$157,303,010	+$ 24,230,630	18.2

Western Cities.	Aug. 16, 1917.	Change.	%
Winnipeg	$ 33,737,893	—$ 10,884,139	24.3
Vancouver	8,452,399	+ 2,547,934	43.1
*Calgary	....	....	....
Edmonton	2,475,493	— 1,579,606	39.0
Victoria	1,647,861	+ 169,571	11.4
Regina	2,499,066	+ 221,833	9.7
Saskatoon	1,577,607	+ 349,326	28.4
Moose Jaw	947,923	— 10,807	1.1
Ft. William	577,639	— 34,398	5.6
Brandon	474,231	— 145,459	23.5
Lethbridge	972,185	+ 302,176	45.1
N. Westm'ster.	335,578	+ 34,012	11.3
Medicine Hat	483,711	+ 131,521	37.3
Total, West	$ 54,181,586	—$ 8,898,036	14.1
Gr. total	$211,484,596	+$ 15,332,594	7.8
Yr. to date	$7,669,384,615	+$1,566,210,079	25.6

*Returns not received at time of going to press.

U.S. BANK CLEARINGS.

Bank clearings in the United States for the week ending August 9 aggregate $5,214,134,000, against $5,628,089,000 last week and $4,065,532,000 in this week last year, an increase of 28.2 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:—

(000's omitted)

	Aug. 9	I. or D.	Aug. 3
New York	$2,989,947	I 27.3	$3,298,885
Chicago	442,356	I 19.1	465,447
Philadelphia	304,027	I 45.3	322,503
Boston	203,438	I 26.1	274,004
St. Louis	121,920	I 24.8	117,707
Kansas City	156,970	I 55.1	147,875
San Fran.	92,800	I 56.2	95,586
Pittsburgh	67,155	I 21.0	80,446
Cleveland	63,984	I 46.3	79,445
Detroit	56,139	I 23.0	51,818
Baltimore	43,399	D 1.3	40,994
Cincinnati	40,541	I 41.7	39,960
Minneapolis	24,310	....	24,310
New Orleans	30,266	I 42.2	31,922
Los Angeles	26,663	I 21.9	26,982
Omaha	30,318	I 22.1	30,203
Milwaukee	24,150	I 30.0	20,424
Atlanta	21,647	I 51.1	21,343
Louisville	18,582	I 16.8	17,291
Richmond	27,152	I 74.1	26,755
Buffalo	19,282	I 20.2	19,845
Seattle	22,589	I 80.2	18,749
St. Paul	11,788	D 4.2	11,974

MONEY

The London rate for call money has been steady throughout the week at 3¾ per cent., which is ¼ per cent. under last week's level. The New York rate has fluctuated. On Monday, the ruling rate was 3½ per cent., while on Thursday it was 3¼ per cent.

It is a striking commentary on present conditions in the money market, says the *Wall Street Journal*, that in spite of the fact that the Clearing House banks reported on Saturday a loss of considerably more than one-half their surplus reserve of the present week, rates should remain practically without change. On Friday last the call money rate, which is ordinarily a sensitive barometer of a changing money situation, was 3½ per cent. for renewals, which was also the highest rate quoted on that day. On Monday, after the altered position of the banks was revealed, the very same quotations prevailed, and they continued Tuesday. Although the cash in the vaults of member banks is not included in the reserve as recognized by the Clearing House, there was no increase in this item to serve as a partial offset to the tremendous decline of the surplus reserve. In short, the situation with respect to the actual reserve, which takes in the cash member banks carry in their vaults, was no better than that indicated by the surplus reserve as reported.

It is generally recognized that the money market is in a more or less apathetic state, and that barring unforeseen developments of considerable import is likely to remain so for some time, probably until the movement of the crops gets fully under way. It is pointed out that the market is becoming accustomed to the tremendous changes to which the banks are being subjected as a result of Government financing, and is adopting itself to them with greater readiness and more equanimity.

This state of affairs presents an interesting study in market psychology. When the Government financing first began to be a factor in the market, lenders and borrowers were apparently dazed for the moment by the gigantic proportions of the Government's operations, and their temporary loss of clear vision resulted in the extremely erratic call money market which was witnessed in the middle of July, when the rate soared up to 10 per cent. Since then, however, they have found their bearings, and though funds continue to shift on the same unprecedented scale, the market no longer appears to be subject to fits of nervousness. In fact, it seems to have assumed more or less an air of indifference.

The explanation of this phenomenon lies in the fact that what at the outset was new and untried, has now become to a large extent a matter of routine, which bankers and others concerned can foresee and regulate their actions by. The payment on the Liberty Loan this week is a case in point. It has been known far in advance, and has so far proved a negligible factor in the money situation. This is proof of the wisdom of those who persuaded the Treasury authorities to distribute the Liberty Loan payments over a period of several months and thereby lighten the strain on the money market.

EXCHANGE.

No change is to be noted in position or sterling exchange. Demand has been quoted all week at 4.7555 and cables at 4.76 7-16.

Francs have moved within narrow limits. Monday's quote was 5.78⅛ for demand and 5.77 for cables, and during the week the price went off to 5.78½ and 5.77½, but closed strong again at the opening figure.

Roubles had a small fluctuation. The opening was at 20.95 and 21.05 for demand and cables respectively and the close at 20.80 and 20.90.

New York funds have been unchanged. being offered at 5-32 premium all week. Bids were quoted at ⅛ premium.

NOVA SCOTIA.

Emmerson Huestis of the Summerside branch of the Bank of Nova Scotia, who has been transferred to the branch at Brockville, Ont., was recently presented with a purse of gold and a well-worded address by the members of the Baptist Young People's Union of which he was the president.

COMMERCE.

W. T. White, manager of the Virden, Man., branch of the Canadian Bank of Commerce, has been transferred to the branch at Moncton, N.B. Mr. White will be succeeded at Virden by D. M. Kydd of the Branch at Yellowgrass, Sask.

F. B. Hornibrook of the Canadian Bank of Commerce staff at Courtenay, B.C., has been transferred to the Cranbrook branch as paying teller.

OTTAWA.

E. Rowan-Legg, manager of the Bank of Ottawa at Smith's Falls, has been transferred to the branch at Renfrew to succeed C. H. C. Greentree, for several years manager of the Renfrew branch, who has resigned to go to Europe in a railway construction battalion. Clare Houston will succeed Mr. Rowan-Legg at Smith's Falls.

FIRST NATIONAL OF BOSTON.

The First National Bank of Boston announces the opening of a branch bank at 501 Bartolome Mitre, Buenos Aires, Argentina. This branch which is under the management of Noel F. Tribe, is now doing a general banking business.

STANDARD.

Harlan Rodman, of the Beaverton branch of the Standard Bank, has been transferred to the branch at Claremont.

J. H. Harrington, of the Chatham branch of the Standard Bank has been transferred to the Blenheim branch to take the temporary management of the bank during the absence of the manager, Mr. Rutherford.

B. N. A.

The Bank of British North America has declared an interim dividend of 40 shillings per share, less income tax, for the half-year ended May 31 last, payable Oct. 5, being at the rate of 8 per cent. per annum.

LONDON BANKS.

Position of These Institutions at the End of the Half Year.

The present year sees the whole of the London joint stock banks come into line so far as the date of closing their accounts and the method of declaring their results are concerned, says the London *Financial Times*. Twelve months ago the Capital and Counties issued a half-yearly report, but that was the last, and this season none of the leading banks whose headquarters are in the metropolis is publishing any such statement. This remark is not invalidated by the position of the National Bank, which is still to all intents and purposes an Irish institution. The uniformity of practice brought about by the change while excellent in many respects, and enabling comparisons based on the calendar year to be instituted without any trouble, somewhat militates against the formation of an opinion as to how operations have turned out in the first six months, though this is mitigated by the publication of interim statements showing the position as at 30th July. None of these statements in the case of the London banks, with the solitary exception of the London County and Westminister, gives any inkling of the profit earned, and in this instance the amount is down from £390,200 to £355,500, though in the absence of any explanation it would hardly be safe to assume that this means a general drop in surpluses secured before making provision for reserves and other funds of a prudential nature. In some cases comparative figures for the corresponding date of last year are not available, and, therefore, the statements for the time being are not of as great advantage as could have been made, though they still are by no means uninteresting. Nevertheless, in spite of all drawbacks due to the absence of precise information, we can be pretty well assured that conditions have been in favor of a very prosperous half-year for all banking institutions. There has been no lack of opportunities for the remunerative employment of money, and despite the temporary withdrawal nominally of so many millions for the War Loan in January the volume of deposits has increased instead of having diminished, the policy of the banks in not unduly reducing rates clearly helping to attract funds back.

Bank Rate.

The bank rate was reduced from 6 to 5½ per cent. in January and again to 5 per cent. in April, but deposit rates have remained unaltered at 4 per cent. during the whole of the six months. The profit margin—the difference between the discount and the deposit rates—has dropped from £1 5s. 11d. to 16s. 6d. per cent., but this has been compensated for to a considerable extent by the better earning power shown in other directions.

Liquidation of Enemy Banks.

Another event of widespread interest during the half-year was the virtual conclusion of the winding up of the branches here of enemy banks—the Deutsche Bany, the Dresdner Bank, the Disconto-Gesellschaft, the Oesterreichische Laenderbank and the Anglo-Austrian Bank. The report of the Controller, Sir William Plender, on the liquidation appeared in February, and the net showing was much better than had been looked for. The original estimate put the liabilities of the five institutions at £28,481,000 and the assets at £23,373,500, giving an apparent deficiency of £5,107,500, only the Deutsche exhibiting a small surplus. The balance sheet furnished in the report gives the approximate assets as £11,722,300 and the approximate liabilities as £9,738,200, yielding a surplus of £1,984,100. Only two of the banks—the Laenderbank and the Anglo-Austrian—disclosed a deficit. The surplus of the Deutsche Bank amounted to as much as £1,540,700.

Financing the War Loan.

The assistance given in the floating of the War Loan in January and February was the most notable direct achievement of the banks. It must have been one of the most arduous and exacting events in their history. The conversion privilege rendered the loan operation an extremely complicated one, and the task of filling up the multiplicity of forms fell mainly to the staff of the banks depleted of many experienced hands and hampered, rather than helped, by raw members. The number of applications they handled with the Bank of England was over a million, involving labors which fully deserved the handsome acknowledgment they received from the Chancellor of the Exchequer. The public response was so liberal that, contrary to their experience of the previous loan in 1915, when they had to put up £200,000,000, the banks were not themselves called on to subscribe, their share in this respect being to finance individual clients, firms and companies, and this they did handsomely. The effect is seen in the large rise in advances and the depletion of cash resources. It would have been interesting had the whole of the banks differentiated the borrowing for War Loan purposes from their other advances, but we may be thankful for the few which oblige us with this useful knowledge. The London City and Midland is one, and at the end of June had £22,978,600 outstanding on this account, and another is Williams Deacon's, whose corresponding balance is £2,545,900. The Bank of Liverpool lent about £9,000,000 altogether, and still had owing it on 30th June £6,346,300, and the Manchester and County and the Union of Manchester had due to them some £1,600,000 and £983,200 respectively. But a material part of the increase in advances must also have been due to the continuously expanding industrial requirements of the country for war purposes, if not for normal trade.

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FINE STAND BY M.P. ON PUBLIC OWNERSHIP

Carvell, the Independent-Minded Member From Carleton, N.B., Speaks

DOES NOT FEAR JUGGERNAUT

Prophecies That in Five Years Finance Minister, If Alive, Will Regret His Present Action

"I do not believe that any member of Parliament ought to be asked to vote for a proposal which he thinks is unsound, simply because the Juggernaut is going and public opinion is such that it ought not to be withstood. My opinion has always been that, if a man has opinions of his own, he had better assert them and try afterwards to convince the public that he is right. If he is not right, then he can let the public do what they have a mind to do about it."

In these manly words, F. B. Carvell, M.P. for Carleton, N.B., took his stand in the House of Commons last week in opposition to the C. N. R. purchase proposal. He was outspoken in his condemnation of the principle of public ownership and his speech, which naturally failed to receive attention in the daily press, bristled with arguments against the extension of government ownership to the Canadian Northern System. Again and again, Mr. Carvell admitted that he was not taking the popular view of the question but this did not deter him from speaking his mind quite frankly.

A Sweeping Indictment

"I do not believe in public ownership of any kind. I do object to the Government going as far as they are going in respect to the proposed ownership of the Canadian Northern railway system. The Minister of Finance stated that it was the intention to appoint a commission that should be subject to Parliament, not to the Government. Well, if the Government can do that, it is a wonderful step in the right direction. But no man who has lived in the Maritime Provinces all his life as I have done can honestly say that he is in favor of the public ownership of railways. I know that in Ontario there is a fetish in respect to public ownership; men are worshipping the public ownership of everything. But it will not be many years before they come back to sound business principles. We had an illustration of that in the House the other evening. In Ontario they have had public ownership of utilities in the way of electrical energy—the greatest administration of electrical energy which the world has known. There is no doubt that the Hydro-Electric Commission of Ontario has done wonderful work. But they are commencing to get up against the wall. The Minister of Railways (Mr. Cochrane) was compelled to call upon his supporters to vote for an amendment to the general Railway Act of Canada absolutely to put out of existence a competitor to the Hydro-Electric because it stood in the way of this Juggernaut. You would not find a better illustration in the records of Canada, from Confederation down to the present time, of the failure of public ownership."

Mr. Cochrane: "That is hardly a fair statement. The reason why the Conservatives voted as they did on that point was stated in the committee when that company was getting its rights from this Government. It was that the rights of the municipality in certain streets should be protected. Sir Edmund Osler asked to have this amendment put in, and he was told by the minister and by the lawyer who was putting the matter through, that it was put in."

Mr. Carvell: "I am not going to go into the details of that. I simply bring it up as an illustration to show that when public ownership starts out to usurp the proper functions of business men, those who have charge always come to the end of their tether; they always come to the time when they cannot carry on things as a business proposition and then they have to resort to power of some kind in order to work out their scheme, exactly as the Hydro-Electric did in the case in question.

Manitoba Telephones.

"There was another point made by my hon. friend which struck me very strongly and that was that, in his judgment, there ought not to be arbitration under present conditions. He illustrated the fact that the Minister of Public Works (Mr. Rogers) commenced his public career about the same time as the Canadian Northern Railway Company began their career in Manitoba as railway builders. He naturally would argue from that, that the people of Manitoba should have gone on with public ownership and not have public utilities handed over to the Canadian Northern or Mackenzie, Mann and Company. He referred to the devious ways of Mackenzie, Mann and Company and the Minister of Public Works during some years that followed in Manitoba politics, and I think he naturally would have drawn the conclusion that all the troubles were because in Manitoba they had not adhered to the principle of public ownership in railways. The path trod by these firms in Manitoba was a "Great White Way" in comparison with the path trod by an hon. gentleman in Manitoba over the question of public telephones. If in the political history of Canada there is a paragraph or chapter that absolutely condemns public ownership of any public utility in this country, it is the story of the administration of the telephone system in Manitoba during the last seven or eight years. From the very inception of the purchase of the Bell Telephone system in Manitoba down to about three years ago, the path has been one which I would not want to follow, which I do not believe any hon. gentleman in this House would want to follow, and which, in so far as any one instance will condemn a system, must condemn public ownership of public utilities in Canada.

Political Influences Inevitable.

"If the minister could operate the Canadian Northern Railway system entirely free from political interference, he might get along fairly well, but certainly not as well as private enterprise would get along. He cannot, however, do that; he cannot run a railway in Canada of the magnitude of the Canadian Northern and keep political influence out of it. We have had an experience of that in the Maritime Provinces. I believe the present Minister of Railways started out to run the Intercolonial for a year or two fairly divorced from politics, but two years had not passed before you could not hire a man to shovel gravel for two days at a time unless he went to the man who controlled the patronage in the constituency, and that has been the case ever since. It is idle to speak about hiring a man on the Intercolonial who is not recommended by the man who controls the patronage, and the minister knows that. The minister knows it would be as impossible for him to hire twenty-five men who were not recommended by the man who controls the patronage in their constituency as it would be for him to fly."

Mr. Cochrane: "The trouble nowadays is to get men, no matter who recommends them."

Mr. Carvell: "The minister knows he has to have the recommendation of the patronage committee."

Mr. Cochrane: "That is not true."

Mr. Carvell: "I tell the minister it is true. The minister may think it is not true; he may think he is not administering the railway in that fashion, but if he asks his general manager what he can do in the face of the patronage committees, he will find that the general manager is absolutely powerless. I do not believe the minister can run the Canadian Northern, which is about ten times the magnitude of the Intercolonial, as a Government road and keep patronage out of it."

Mr. Marcil: "The Government do not intend to do so."

Mr. Carvell: "I do not think they do, because I find in the last clause of the resolution these words:—

"'That the necessary qualification shares for directors may be transferred to or allowed to remain in their names by the Minister of Finance on such conditions as he may determine.'

"That simply means that the Minister of Finance or the Government appoint the directors under such conditions as they may determine. They put enough stock in a director's hands to qualify him, but he is simply a creature of the Government; he sits on the board as a member of the political machine, and the road will be run as the greatest political machine Canada has ever known. Think of the Minister of Railways running hotels, telegraphs, telephones, townsites, express—"

Mr. Graham: "Steamboats."

Mr. Carvell "—and all those things under a great government system. I know I shall certainly not get much credit in certain portions of Ontario for these statements of mine, but they are my views and I want to put them on Hansard. I am satisfied it will not be many years before the people of Canada come to my way of thinking. All they have to do is to have a few years of public ownership or public operation of this great railway system, which will inevitably involve the Grand Trunk Pacific, and they will all accept my view as correct, namely, that the sooner they get rid of this thing, the better."

Would Advance Money

Mr. Carvell admitted that it would not do to let Canadian Northern securities go into default, especially as the times were not normal. He would therefore advocate another grant to meet present pressing liabilities, the government taking over stock security for the money. Continuing Mr. Carvell said:

"I was reading this afternoon the minority report of Mr. Smith, and was very much impressed with two statements that I read. They so thoroughly coincided with my own views that I feel like placing them on Hansard. The first is found on page 102:—

"'Compared with the total outlay involved in producing railroads by the Government for itself, as, for instance, the case of the Intercolonial or the Transcontinental, from three to six times that amount have been used to realize equal results. This shows distinctly the value of enlisting and retaining private enterprise.'

"If this statement be true, that the governments of this country from Confederation down to the present time have spent in building Government roads six times as much as the Canadian Northern has spent—and he was dealing directly with that company—it is an amazing statement. It so attracted my attention that I read it two or three times. I do not mean to say that the Canadian Northern lines are in as good a state physically as the Government lines. Mr. Smith, after discussing what government ownership would mean, the extra cost of construction, operation and management—and he certainly puts up a pretty strong argument against government ownership—concludes with these words:—

"'Upon these fundamental truths, I base my firm conviction that the brightest outlook for the future of your great Dominion can be assured through the extension of private railroad enterprises. The hope of honor and the reward of public approval must be open to human kind to get the best results from human endeavor.'

Hope of Honor and Reward.

"I tell you, Mr. Chairman, that if you take away from the Canadian Northern enterprise the hope of honor and reward, the ambition of the human being, you will absolutely divest it of everything that has made it the great enterprise it is to-day, and there is no disguising the fact that it is a great enterprise."

"The Government may take over this system and say, 'We are going to keep Mackenzie and Mann and some of their organization,' but they will not be able to do it. Once the present officials realize that political power is interfering with their management, it will not be six months before they, if not Mackenzie and Mann themselves, will say, 'I won't have a member of Parliament dismissing or appointing a man through his political influence.' It would not be six months before the whole present organization would be disbanded and gone. I do not see any necessity for doing away with the men who are absolutely necessary to keep this enterprise going. I do not see any necessity for the Government taking over control of the road. I believe the present organization can run the road better than the Government. I believe that sufficient money should be put up to pay off the company's indebtedness, and as much of the stock should be taken over as is available, for extra security—not that I think the stock is worth anything. I believe that five-sixths of the stock would be available. With five-sixths of the stock in their hands there would be no question as to the Government having control over the road, and if Mackenzie and Mann were not handling things properly, the Government would have it in their power to interfere at any time. That, of course, involves the next question, whether or not the Government should go on and buy out whatever the equity of Mackenzie and Mann may be."

More Economical Policy

Mr. Carvell's next contention was that, if the government took over the road, creditors would insist on being paid in full, whereas if it was continued under its present management, there would be renewals of obligations. He believed that at its present rate of progress, under its present management, the Canadian Northern would take care of itself. It could get along with 50% as much money for betterments and operation as the government of Canada could. In other words it would be much more economically managed. "Every time you touch the government ownership of anything," said he, "you commence to pay out immediately."

States His Policy.

Referring to the question of arbitration and the equity existing in the property, Mr. Carvell said:—

"I know from my little experience with arbitrations of right of way and other things in connection with railways, all these matters must be taken into consideration; and the result will be that we will pay to Mackenzie and Mann $10,000,000 or $20,000,000 or $30,000,000, which we ought not to pay and which we have no license to pay to them at the present time. But, on the other hand, if they, through their energy and ability, have worked up an organization which has a money-earning capacity, then let them work it out. Why take it away from them? Why pay them money which they have not earned? Rather leave it in their hands and let them work it out, and if there is any money in it let them make it. I think, myself, that if you allowed this road to go on for four or five years more it would be self-sustaining. I realize that next year we will probably have to put up more money, and, perhaps, the year after. But we are in it. I think it was an improvident bargain three years ago. When the proposal to guarantee $45,000,000 was up I was opposed to it, and, while I have not looked up my remarks, I have a very good recollection of the attitude I took. I was opposed to granting the $45,000,000. Then, in addition to that, you have granted them $15,000,000, making $60,000,000, and now you are proposing to put up $100,000,000 next year. I say that is not good financing under present conditions; it is not good business for Canada. The proper business for Canada at this time is to put up just as little money as she can get along with and leave this road in the hands of the men who have made it a fairly successful enterprise up to the present time, taking, of course, all the security which they can give you, taking the stock, enough of it to put it beyond question that you have a majority and have control. In fact, I would take practically all the stock. I would hold it as a trustee and let these people go on and see if they cannot work out their own salvation. It will not become any worse in a year, because if you control the expenditure of money which you put up it will not be wasted, and the property will increase its earning capacity. You will not have to spend the $100,000,000 that we are going to spend next year, and if you have to take the road over a year from now, or two years from now, you will have saved probably from $50,000,000 to $75,000,000."

Extravagance and Inefficiency

Sir Thomas White replied to Mr. Carvell, pointing out the necessity in his view of adopting the policy of government ownership in the case of the Canadian Northern. Mr. Carvell came back with the argument that government ownership spelt extravagance and incompetence.

"The Intercolonial is a Government enterprise; it goes through a good country; it is as badly operated as anything in the world could be, and we get no interest out of it. I believe the Minister of Railways does claim that he had a surplus of a million or two last year, but that was all by doing Government business; it was only a matter of bookkeeping. You get no interest on your investment, and you put out millions every year in order to keep the thing going. Sometimes I feel that I should like to know how much we are putting out on the Intercolonial Railway every year; it would run into many millions. The same thing will happen if the Government take over the Canadian Northern railway system; we will put up millions—not $15,000,000, or $20,000,000 a year, but $50,000,000, $60,000,000, or $70,000,000. My hon. friend is correct when he says that there is a great trend of public opinion in Canada, especially in Ontario, in favor of public ownership. Public ownership of all sorts of utilities has been tried, but I have yet

Continued on page 16.

ARGUES FOR PUBLICITY IN PUBLIC WEAL

Effort to Limit Publication of Incorporation Notices is Strongly Criticized.

BILL IS BEFORE SENATE

Would Restrict Notices to One Insertion in Canada Gazette Instead of Including Outside Media

An attempt has been made at Ottawa during the present session of Parliament to amend the Federal Companies Act in several particulars. One of the changes proposed is in regard to the publication of the letters patent incorporating a company. In the act as it stands such publication is required both in the Canada Gazette and in a newspaper published in the city or county in which the head office or chief agency of the company is located. The notice in the Gazette must appear twice and in the newspaper four times. If the proposed amendment goes through, publication will be limited to the Gazette and to but a single issue of that publication.

Presumably, when publication of these notices was originally decided upon, two objects were in view. One was to furnish information to those people who would be invited to buy shares in the company; the other to furnish creditors with necessary particulars about the capitalization, objects, location of head office, etc., of the company. Publicity was the main consideration and the idea of requiring the incorporators to use other media than the Canada Gazette was in recognition of the fact that so few people saw that publication, that it was most desirable to provide for the appearance of the notice in some paper where it would be brought to the attention of people likely to be interested.

An Argument for Publicity

The matter has been taken up by the Canadian Press Association and recently the manager of that organization, John M. Imrie, appeared before the Senate Committee on Banking and Commerce to urge the retention of the clause requiring publication in the local papers.

Mr. Imrie said the provision for publication in the present act very properly recognized:—

(a) The right of the general public to know what powers are given to a corporation by the Government as the representative of the people.

(b) That there is a certain suspicion in regard to the granting of wide powers to corporations, particularly to those with large capital, and that publicity in regard to the powers granted would tend to allay suspicion in most cases.

(c) That while publication in the "Canada Gazette" might be necessary to complete the official record, that publication did not give the desired publicity to the general public.

Mr. Imrie then argued that the events of the eleven years since the present Act was passed emphasized the right of the public to know what powers were granted to corporations and the wisdom of giving that publicity in order to prevent unjustified suspicion.

Mr. Imrie said he understood the limiting of the publicity to a notice in the "Canada Gazette" had been proposed by the promoters of companies. It was easy to understand that there might be cases in which general publicity would not be in their interests. But the public interest was paramount, and that interest should receive first consideration.

Policy of Frankness

To show that the tendency is toward a large measure of frankness by corporations in dealings with the public, Mr. Imrie quoted a statement of Geo. W. Perkins, the well known partner of the late J. Pierpont Morgan, that whereas it was for years the policy of the corporations with which he was connected to ignore the public's right to a more intimate knowledge of their affairs, these corporations had spent millions of dollars in recent years to inform the public upon matters of importance concerning their affairs. He further quoted from Mr. Perkins as follows:

"We Americans are not afraid of things simply because they are big, provided they are big in the open, above board; but we are afraid of large aggregates of secretive blind-pool methods. And it is largely because of secretive blind-pool methods that our people have been afraid of large aggregates of capital under what is known as corporate control."

Mr. Imrie urged that the elimination of the requirement for publicity in the local newspaper would be a retrogression toward the old policy of secrecy, and would tend to increase suspicion of corporations.

A Senator pointed out that under the present Act the publication required is after the granting of the Letters Patent, and suggested that it would be more beneficial if the publication were before the application for incorporation was granted. Mr. Imrie said that plan would be quite satisfactory to the press. Thomas Mulvey, Under Secretary of State, said it would be impracticable, as in many cases incorporation was required on very short notice.

Source of Amendment

In answer to a question by Sir Mackenzie Bowell, Mr. Mulvey said the amendment had been proposed by the promoters of companies and the lawyers. It was claimed that the publication in a local newspaper involved a considerable expense and served no substantial purpose.

It was decided to leave the matter of the proposed amendment open for further discussion at a later meeting.

The proposed amendment in regard to publication is one of many amendments to the Companies Act contained in Bill Q2. While this Bill stands in the name of Sir James Lougheed, it is understood that it is not a Government Bill in the ordinary sense, but a draft of amendments that have been prepared by Mr. Mulvey and are up for general discussion. The hearing was a public hearing for the purpose of receiving suggestions for the improvement of the amendments as proposed. At that hearing Sir James Lougheed was one of the principal critics of certain clauses of the Bill.

There is a regrettable tendency to substitute publication in an official publication of a Government for publication in the local newspaper. In several provinces publication in the Provincial Government Gazette has been substituted for publication in the local newspaper. In one province in which that change was made recently, such strong opposition to the change developed that the provision of publication in the local newspaper was restored. It is an incontestable fact that the general public does not read the "Canada Gazette" or the official publication of the various provincial governments.

Not Likely To Pass

The FINANCIAL POST'S Ottawa correspondent reports that the Senate Committee on Banking and Commerce are still grinding away at the new act and in another week will have it in shape to send back to the Upper Chamber for ratification.

"It will likely pass the Senate this session," he states, "but the present outlook is that it will not get through the Commons. The Commons, with an election in sight, are in no mood to worry over such a bill, and the best guess is that the bill in this Parliament will not get through further than the Upper Chamber.

"At the session of the Banking and Commerce Committee this week a clause was added defining the penalty which will be imposed on directors, managers or officers who fail to live up to the provisions of the Act and for which no penalty is expressly provided. A clause was also added providing for the filing of statements in regard to companies where no prospectus is issued. This calls for a large amount of detailed information, such as the nominal share capital of the company, how the shares are divided, the names and addresses of the directors, the estimated amount of preliminary expenses, amount paid to any promoter, consideration for such payment, etc., etc.

"The Committee were not satisfied with the new clause in the bill which provided for the issue of shares without nominal or par value, and the State Department was asked to draft a new clause. This will be submitted to the Committee at its session next Wednesday. If this clause is satisfactory the bill will likely then be reported to the Upper Chamber."

AN AMBITIOUS PROGRAM

Objectives of the Council of Scientific and Industrial Research

In the Senate last week, when the scientific and industrial research council bill was in committee, the following information was given regarding the present objectives of the council:—the obtaining of nitrogen as a fertilizer; the obtaining of potash; and the development of experimental work looking towards the utilization of the lignites of the West. The council are also making a careful study of the tar sands of the West from which they believe valuable tar products can be developed. In addition to this they are making a study of the forest growth of Canada.

The Finance Minister stated in the House this week that the net proceeds of the recent New York two-year loan were $96,260,000. Purchasers would net 6.077%. Commissions and other charges amounted to about 1.75%.

GIVE BOUNTIES TO ENCOURAGE BIG ACREAGE

Report Submitted to Senate With This Suggestion.

ASIATIC LABOR DURING WAR

Committee Thinks Labor Shortage Could Be Overcome By Importing Asiatics to Help on the Farms

An important report was submitted to the Senate by Senator Nicholls on behalf of the special committee appointed to inquire into and report upon "the best method or methods of conserving and increasing our domestic and overseas trade." It was the third report of this special committee and contained recommendations. It suggests the giving of bounties to farmers for new land put into cultivation and the importation of Asiatic labor for Canadian farms for the period of the war.

The report reads in full as follows:

Your committee, when preparing their second report, recommended that one of the best methods of conserving Canadian trade after the war would be the the organization of a Canadian trade corporation for reasons set forth in the report. Your committee have since given consideration to such methods as would tend to increase our agricultural production, having in view the necessity of furnishing Great Britain and her Allies with food products during the continuation of the war and the further necessity of increasing our exports of food products after the declaration of peace, to the end that the balance of trade now greatly in our favor may not unduly diminish.

Recommendations

After hearing the representations on this important subject, your committee are of the opinion:

(1) That the Government of Canada should, without delay, endeavor to encourage the breaking of a large acreage of wild lands in order that such new soil may be ready for cultivation next year and our productive capacity thereby increased;

(2) That if it is found necessary, in order to encourage farmers to bring additional acreage under cultivation, that a bounty of a certain sum per acre be paid for each and every acre of wild land put under cultivation and off which a crop is raised during the next ensuing two years;

(3) That consideration be given by the Government to the advisability of requesting the co-operation of the several provinces, so that any amount paid out in bounties would be shared by the Dominion Government and the Provincial Governments respectively.

Reasons Advanced

Your committee have reached the above conclusions mainly on account of the well known difficulty of securing farm labor during the war at such reasonable rates of wages as is necessary for the purpose of cultivating and harvesting, without loss, farm lands now under cultivation, and it is believed that the payment of a bounty as recommended, will enable the farmer to offer the higher wage which must be paid at this period to secure the labor required to increase the area of grain production in this country.

As alternatives to the payment of a bounty, your committee advise that the possibility of adopting either or both of the following methods of coping with the shortage of farm labor be considered by the Dominion and Provincial Governments:

1. That where an owner or tenant of wild lands is willing to cultivate the whole or a portion thereof, but is debarred from so doing by reason of lack of capacity to pay for breaking the same or his inability to secure the necessary labor, that the Government break the land with traction engines, charging a moderate price therefor and extending the payment for such breaking over a term of several years;

2. That as a war measure only and for a period to be limited to the duration of war, Asiatic labor be imported under Government control and supervision, that is to say, that during the period from seeding to harvesting, farmers shall be furnished by a central authority at a fixed charge, with such imported labor as they may require.

Heroic Remedies Needed

Your committee realize the objections that may be raised and with which under normal conditions they would be in accord. Present war conditions, however, call for heroic remedies. The shortage of farm labor must be met and the method of meeting it must be prompt and decisive, if our present production of wheat and other cereals is to be maintained, let alone increased. It would be found that such imported labor by aiding increased production, would greatly assist the Allies in the prosecution of the war to a successful conclusion and would be a vital factor in obviating the threatened food shortage in Great Britain and would, by reason of a great increase in the area of agricultural lands brought under cultivation, add greatly to our national wealth and become a prime factor in absorbing the national debt—largely increased by reason of the war. Proper provisions could be made that imported labor would be restricted to such localities and be availed of only at such times as would not interfere with the employment of white labor whenever and wherever such was available.

All which is respectfully submitted,

FREDERIC NICHOLLS,
Chairman.

The report has not yet been discussed but will doubtless create a lively debate when it is brought forward.

THE FINANCIAL POST
OF CANADA

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THE GOVERNMENT MUST ACT!

THERE is a committee working quietly at Ottawa on the problem of conserving and increasing our trade "to the end that our present prosperity may not unduly suffer when the stimulus resulting from orders for munitions and other war supplies is removed." Senator Nicholls, the chairman, presented a report from the committee the other day.

This committee will soon find itself shoved into the very centre of the limelight, and it is sincerely to be hoped that it will measure up to the extremely heavy task that lies ahead of it. For, as the POST shows this week, **the stimulus resulting from orders for munitions will soon be removed, temporarily at least.** Munition orders are not being renewed; the munition business is being closed up. This may be temporary. It seems certain that, if the war is to last for another year or longer, a share of the burden of shell-making must again devolve on Canada. This does not alter the fact, however, that in the near future, the stimulus of war business will be at least partially taken away.

Has this committee evolved the necessary plans to carry out the function for which it was created—the sustaining of prosperity in the face of the suspension of munition work? Has the necessary machinery been created to carry the plans out? While the work has devolved upon the committee in question, the whole responsibility is vested in the Government. The question can be laid before the Government directly: What is going to be done?

It is apparent that the committee has been busy. The report that Senator Nicholls laid before the Senate was the third that had been presented, and it contains two recommendations that are well worth consideration. The first is that, to increase the acreage in the country, a bounty should be paid to farmers who break new ground. Good! The farmer who increases his acreage while the labour situation is so strained is taking a big chance. He should be safeguarded. The second recommendation is that, to insure adequate labour, the importation of Asiatic labour be permitted for the duration of the war. This is not so good. It is a dangerous plan, for the man who goes to the front does not like to think that someone of another race is stepping into his job. It might be difficult to send the Asiatics back after the war. And, further, if the munition industry is to slacken up, there will be a large force, certainly numbering over 100,000, to be assimilated back into normal industrial circles. The labour difficulty may be solved.

It is important that these recommendations, and the other plans that the committee undoubtedly has formulated, should receive immediate attention. The report referred to has not, so far as the POST has been able to learn, received any attention yet. It was laid before the Senate, and not a single daily newspaper has made any reference to it. The details, given in this issue of the POST, will be the first news offered to the public In view of the urgency of the situation, this is wrong. The all-important problem of meeting the situation facing the country should be engaging the earnest attention of the Government.

It will not do to let the situation solve itself. The Government should take hold.

BIG MEN MUST NOT BE DISCOURAGED

UNTIL the work of the committee investigating the O'Connor report on the cold-storage business in Canada has been completed, it would be unwise to hazard any further opinions with reference to the O'Connor findings. Unfortunately, the daily newspaper press is not content to wait. The campaign of calumny continues almost unabated in some quarters, and a cross-fire of caustic comment and ill-natured quip comes from all sides. The packers, and particularly the Wm. Davies Co., have been condemned in the eyes of the public press before the case has come to a hearing.

The POST believes, for reasons given some weeks ago, that the O'Connor report did not give an accurate or a fair statement of packing profits and that subsequent investigation will clear the Wm. Davies Co. of blame. That, however, is a matter for the future. In the meantime, the POST feels impelled to enter a protest against the campaign of abuse that has been directed against Sir Joseph Flavelle personally.

Unquestionably the personal element would not have entered so conspicuously into the question if the head of the Wm. Davies Co. had not happened to be a Government employee who had stood for the curtailment of profits in munition manufacture. As the POST has already intimated, there may be a connection between these two facts that the future may reveal. Flavelle had saved the country many millions of dollars in the purchase of munitions.

However, the protest of the POST is not entered through motives of friendship for the object of this bitter attack. It is entered because the attack on Sir Joseph Flavelle is bound to have one very serious effect: It will discourage the big and successful men of the country from entering public service. At the present juncture, Canada needs her brainiest men to fill posts of responsibility, to take up the work that her lightweight politicians are so completely failing to do. Anything that tends to keep men of the right calibre out of public service is to be seriously deplored.

BUSINESS EXPERIENCE IN GOVERNMENT.

GREAT BRITAIN has learned many lessons in the bitter school of war experience. One is exemplified in the tendency shown to put business men into the Cabinet. The most striking case was the most recent, the appointment of Eric Geddes to the control of the Admiralty. Geddes is a railroad man, and an eminently successful one, but completely unschooled in the wiles of diplomacy and politics. His appointment, therefore, was evidence of a departure from old traditions.

But it does not stop there. The suggestion made by the London Chamber of Commerce, in its report on the Government control of trade, that the Government, in commercial undertakings, should avail itself more extensively of the services of the business community, finds support in the view expressed by the Empire Resources Development Committee, that the British Civil Service Departments, as at present organized and staffed, are quite unsuited for the successful conduct of commercial enterprise, lacking as they do the necessary training and incentive to energy.

It is interesting to quote The Financier on this point: "It would be erroneous to infer, however, as Mr. H. Wilson-Fox, M.P., the hon. secretary of the committee, points out, that the State cannot manage any commercial undertaking successfully. Past failures have been due to neglect of the above principle, and the committee, in advocating the development by the State of the natural resources of the Empire, with a view to paying the Empire's war debt, has consistently laid it down that any board appointed for the development of Empire resources should be composed of men accustomed to judge of important financial proposals, experienced in the selection and handling of experts and staffs, the placing of contracts, the purchase of plant and supplies, and other similar matters. Subsidiary boards charged with the practical side of any particular enterprise should be remunerated, as is usual in undertakings of the kind, by a percentage of the profits over and above an adequate salary. Personal fitness, rather than social or political prestige, would thus be the primary qualification."

It seems reasonable to assume that the enlightened view now taken, with reference to the handling of public affairs, will lead to permanent reform. State business may be put in the hands of the men best fitted to do it well, instead of being made the football of political interests.

EFFICIENCY—AND GOVERNMENT SALARIES

A LENGTHY discussion arose in the House the other day over the fixing of remuneration for three members of the Government, two of whom had already affirmed their intention of refusing to accept any salary. The point was debated as to whether any member of the Government should accept office or any official undertake Government work without receiving remuneration. Several members, notably Sir Sam Hughes and Mr. Kyte, expressed the opinion very forcibly that the practice was a dangerous one.

Unquestionably there is substance in the objection raised. As a matter of principle, it is wrong for any man to fill a responsible post, from which he receives no remuneration. It is not done in business. It would rightly be held that the corporation for whom the unsalaried official worked could not expect the same degree of efficiency as from a man accepting salary. There would not be the same control. If the official in question skimped his work a little, or perhaps did not regard it as seriously as he might, the corporation would not be in a position to call him sharply to account. Consequently, the rule of accepting remuneration for all work done and responsibility assumed is a pretty general one in business. Directors' fees are regularly tendered and as regularly accepted by the wealthiest of men.

The same rule applies, more or less, to Government offices. When a minister or a high official is directly in the pay of the people, he can be more strictly held to account. If he is donating his services, the point of any criticism that might be levelled at him is blunted. He is more or less immune. It seems ungracious to criticize a man who has generously given his services for nothing. And yet all Government work should be done with absolute one-hundred-per-cent. efficiency and any individual who fails to measure up to the most rigorous standard should be promptly and unsparingly blamed. There is no room for the rich meddler and the *dilettante* in Government work, particularly in the present crisis.

At the same time, it must be borne in mind that the war has created a peculiar situation, wherein big business men can be used for Government work. There are several such now actively engaged; and there should be more. These men would not be adequately paid even if their salaries were fixed at $100,000 a year, when their earning power in business is taken into consideration. Any salary that could be paid them would be, more or less, nominal and a refusal to accept remuneration might reasonably be accepted.

EDITORIAL NOTES.

ARE THE days of huge munition profits and big munition wages over?

* * *

WE ARE beginning to realize that only by the pinch of long after-years will we be able to pay the cost of modern warfare.

* * *

MOST Canadians failed to realize what war was until our own casualty lists began to come out. Some won't realize it until the income tax collector calls around.

BANISHING THE TRIALS OF THE AGRICULTURIST

How Cyrus McCormick is Making the Farm Machine Run—A Sketch of His Career From Affluent Youth to Successful Leadership.

A good sketch of Cyrus H. McCormick, the head of the International Harvester Co., appears in Leslie's Weekly from the pen of B. C. Forbes. It presents the human side of the man as well as the business side; and McCormick has a very human side, beginning with the time that he earned his first personal money by relaying twenty tons of coal. Here is the story as Mr. Forbes tells it:

Let me relate how the boy Cyrus earned his first money; it illustrates the character of his upbringing. Twenty-two tons of coal had been dumped on the side of the roadway a hundred yards from the cellar of the McCormick home to be loaded into a wheelbarrow, trundled across the grounds, and emptied into the coal bin. The twelve-year-old Cyrus volunteered to do the job, if his mother would pay him the regular rate of fifty cents a ton allowed for this work. She readily consented, and for several days the schoolboy kept loading and pushing and emptying that wheelbarrow until the last pound of the twenty-two tons had been deposited in the cellar. His back was nearly broken and his hands were badly blistered, but when the work was done he placed $11 in his bank and resolved to set about earning $100 as fast as he could.

There was a sad sequel. By doing many other jobs about the house and never missing an opportunity to earn a few cents or a few dollars, he accumulated in three years his $100 and deposited it in a savings bank. He had attained his first financial ambition. By his own efforts he had become a capitalist. His achievement gave him intense satisfaction. One month later the bank failed! Carlyle could not have felt worse when he discovered that the maid had burned the manuscript of his "French Revolution"; De Lesseps could not have suffered more through the collapse of his Panama Canal venture; nor could Jay Cooke have been more poignantly chagrined over the loss of his millions than was young Cyrus McCormick over the loss of his hard-earned savings.

"It was a terrible blow," he told me not long ago, "and it took me some time to accept philosophically the consoling words of my mother that the experience of toiling industriously for the money was worth much more to me than the money itself. But," he added with a laugh, "I now believe she was right."

In gathering material for this character sketch I asked one of Mr. McCormick's Princeton classmates, who has remained intimate with him ever since, what were some of Mr. McCormick's predominant qualities.

"He is the personification of 'John Halifax, Gentleman.' He might well stand, also," he replied, "for the man in that well-known anecdote about the new footman who was engaged during his master's absence and who, on being told to go to the station to meet his master, asked his mistress how he would be able to recognize him. 'He is a tall man and you will be sure to see him helping someone,' she told him. That's Cyrus McCormick—a tall, robust man who is constantly helping someone. Even when at college he regarded the inheritance that was to come to him in the nature of a responsibility, a stewardship, something entailing upon him a great duty rather than bringing him any privileges or mere pleasure. He had inherited a name which he must honorably uphold and would inherit a vast business which he must administer creditably for the sake of its founder, for the sake of the thousands dependent upon it for a livelihood, and for the sake of its farmer customers all over the world who looked to it for dependable machinery."

Few sons have more worthily administered their heritage. Not only as a business man, as head of an enterprise that distributes its agricultural implements in every civilized country throughout the world has Cyrus H. McCormick amply justified parental hopes; but he has attained equally noteworthy success as a public-spirited citizen, as an employer considerate of his workers, as a helper of his fellow men. Were all wealthy men of his type, millionaires would not be held in such suspicious regard by the people.

It is not surprising, rather it is natural, that Cyrus H. McCormick should be a man of both physical and mental power, of sustained industry, of broad vision, of large heart, of rational tastes, sensible of his responsibilities in the world. He was born of such stock. From a combination of these qualities sprang the reaper, one of the half-dozen greatest blessings the nineteenth century brought to mankind, since it virtually abolished famine and gave bread even to the poorest of civilized peoples.

The reaper was not born without travail nor nurtured without struggle and stress and pinching and plodding. No laurels were immediately placed upon the brow of the young inventor in 1832, the first Cyrus H. McCormick. No grateful acclaim greeted his discovery. No fortunes were laid at his feet for his epochal invention. Instead, he ran the whole gamut of ridicule and penury and hardship, of blasted hopes and blighted ambitions. Even before the first Cyrus H. McCormick was born, in 1809, Robert McCormick, his father, a Virginia farmer, had sweated and struggled to construct a machine that would cut grain. His experiments proved failures. Cyrus H. McCormick, however, evolved the reciprocating blade and after a few weeks of experimenting built a reaper containing the basic principles of the reaper the world now knows. But success was not to be won at once. It took nine years to find the first buyer of a reaper! From 1831 to 1840 not one machine could be disposed of—not even with the aid of an advertisement offering the reaper at $50. The sale of two machines in 1840 helped a little, but 1841 was a blank. The next year brought seven orders, the next twenty-nine, and the next fifty. In 1846, when thirty-seven years of age, McCormick set out to survey the country for an ideal location for his works. With characteristic shrewdness he chose a straggling village untouched by railroads, on the shores of Lake Michigan. It could not even boast of one public building, and it had a queer name, Chicago. McCormick found a partner willing to pay $25,000 for a half-interest in the business and began to manufacture the McCormick reaper on a sizable scale. He established agencies at over a score of central points and adopted the then novel method of advertising "Money back if not satisfied." He offered to send a reaper to any farmer, let him use it, and if not pleased with the results, return it at the makers' expense. Then came constant harassment from competitors, a mass of legal suits, and other worries and difficulties. Yet McCormick found time to plan and do big and still bigger things.

The great Chicago fire of 1871 wiped out the McCormick works, the most extensive in the city. McCormick was then sixty-two years of age, had accumulated a fortune of several million dollars, and measured by ordinary standards, had done more than his share of the world's work. Would he retire? He put the question up to Mrs. McCormick.

"Rebuild again at once," was her immediate and emphatic verdict.

She had in mind not only the welfare of their army of workmen, but also the future of another Cyrus H. McCormick, by this time twelve years of age. She did not want her boy to become an idler, or mere society ornament. She was an intellectual, devout, painstaking, capable woman, zealously training her son to be a useful, upright citizen.

It was characteristic of the McCormicks that they sent their son to the public school in Chicago—"the best in the world, better than any private school," remarked Mr. McCormick in discussing his school days. "There were sixty-five boys and girls in my class, and the poorest children usually were nearest the head of the class, so that it took real, hard study to hold one's own." Later he entered Princeton, but was brought back to enter the business after two years' study, as his father was then (1879) seventy years old.

"My father taught me that I must work out my own salvation, that I was to have no favoritism, that I must apply my whole energy to learning every phase of the business," Mr. McCormick told me. "He impressed upon me that constant industry must be combined with intelligent thinking in order to attain success. No amount of inherited money, he explained, could gain for me or any one else a high and honorable place in the world, but each man must carve his own way, and by the sweat of his brow and brain earn his own station in business and the world.

"Under such conditions and counsel I began my apprenticeship. I am as thorough a believer in such a policy as my father was, and am applying it to my own sons, one of whom began in overalls on leaving college, at the lowest round of the ladder in the branch house of the International Harvester Sales Department at Wichita, Kansas, preliminary to starting in at headquarters in Chicago. My other son is at Princeton."

In 1884 the inventor of the reaper died, and the present Cyrus H. McCormick became the head of the McCormick Harvesting Machine Company, the largest industry of its kind in the world. It was a tremendous responsibility for a man of twenty-five years of age to shoulder. "I was really carried along at first by the tide of the organization," Mr. McCormick modestly explains. How well Mr. McCormick measured up to his responsibilities was demonstrated sixteen years later, in 1902, for when the great International Harvester Company was organized by J. P. Morgan & Company, he was selected as president of the company.

And here let me set down the truth about how this merger came into existence, for more fiction, picturesque fiction, most of it, has been printed on this subject than on almost any other industrial episode in America. Under Cyrus H. McCormick, the McCormick Harvesting Machine Company was expanding aggressively, even in face of the cut-throat competition which had raged for years, and one day Mr. McCormick came to New York and visited Morgan & Company with a view of having them raise additional capital to take care of the growing business. The alert George W. Perkins, then a Morgan partner, immediately the matter was broached, asked, "Why not form a large and new company with capital much greater than anything which now exists?" He had had an active hand in forming the billion-dollar Steel Corporation in the previous year and saw an opportunity to bring off another gigantic coup. Negotiations were promptly started with the leading harvester concerns. There were bitter rivalries and jealousies to handle, but the problem was solved by buying each company outright and leaving J. P. Morgan & Company to organize the new corporation exactly as they saw fit, not only fixing its capital, but choosing the executive.

The choice of Cyrus H. McCormick as president was dictated solely because Morgan and Company saw in him the best man for the job. He was strong, physically and mentally; he was a glutton for work; he had so managed his own company that it was the foremost in the field; he was young, forceful, enterprising, long-visioned, and had earned the fullest confidence of the farmers here and abroad.

Mr. McCormick is no ornamental executive. For several years after the International was formed Charles Deering, as chairman, shared the burdens, but for the last half-dozen years Mr. McCormick has been the sole executive head of the organization. Mr. McCormick has spent a great deal of time in the different countries of Europe, especially Russia, developing demand for the corporation's products—and has been selected by the United States Government as a member of the Root Commission to Russia, where "McCormick" is a name to conjure with.

I cannot refrain from relating here an incident that brought McCormick into notice abroad. He had been commissioned by his father to take a binder, then quite a novelty, across to the great show of the Royal Agricultural Society of London to be held in that city. On the voyage the boat carrying the machine was wrecked and it lay in salt water for several weeks, but was rescued just in time to rush it to London for the field test. The other machines appeared on the scene beautifully painted and drawn by the finest of horses. Young McCormick conceived the idea of entering his rusty, dilapidated-looking machine without giving it even one daub of paint and of having it pulled by a couple of disreputable-looking nags. The "exhibit" tickled the risibility of all the spectators, who made it the butt of a constant volley of jokes and squibs. The shining, speckless competing machines, with their exquisitely groomed steeds, did their work more or less satisfactorily. Then the pitiable McCormick entry was lined up while everybody waited to see the fun. Lo! Off went the shaggy horses, click-click went the blade and in thirty seconds the ridicule gave way to admiration, for not one of the gaily-caparisoned exhibits had cut down and bound grain with the speed and efficiency of this queer contraption rescued from a salt-water grave. It won hands down.

PERSONAL

LT.-COL. BARTLETT McLENNAN, D.S.O., who has been elected a director of the Royal Trust Co., is on active service with the 5th Royal Highlanders and has been at the front for some time. Before going into uniform he resigned from the presidencies of the Montreal Transportation Co., and the Prescott Terminal Co. He still holds office as vice-president of the Canadian Explosives Co., and is a director with many companies including C. Meredith & Co., Montreal Telegraph Co., the Williams Manufacturing Co. and the Empire Typewriter Co.

MORLEY DONALDSON has resigned from the position that he has filled since 1912 of vice-president and general manager of the G. T. P. Ill health has compelled his retirement. He was born in Edinburgh, Scotland, in 1851, and was educated privately in France and Canada. He was for some time in the engine works of E. Gilbert & Co., Montreal, served under Walter and Frank Shanly during construction of Hoosac Tunnel, Mass., one of the largest in the world; entered service, Canada Atlantic Railway, as chief draughtman, 1881; becoming successively mechanical superintendent, superintendent of traffic and mechanical departments; general superintendent until road merged with Grand Trunk Railway System, 1905; superintendent Ottawa division of Grand Trunk Railway System, 1905-1912.

WILLIAM PITTMAN HINTON, who succeeds Morley Donaldson as vice-president and general manager of the G. T. P. is a comparatively young man, having been born in Ottawa in 1871. He began railway work in 1887, in the auditor's department of the Canada Atlantic. He rose rapidly, and in October, 1905, when the Grand Trunk absorbed the Canada Atlantic he became general agent in the passenger department of the Grand Trunk at Ottawa. After being successively general passenger agent of the Grand Trunk and Grand Trunk Pacific, he became on January 1, 1914, assistant passenger traffic manager of the same road at Winnipeg. On October 1, 1914, he was promoted to be assistant passenger traffic manager of the Grand Trunk and Grand Trunk Pacific lines with headquarters at Montreal. In November, 1915, he returned to Winnipeg as traffic manager of the Grand Trunk Pacific, having charge of both freight and passenger traffic and was appointed at the same time to represent also the Canadian Government Railways with the title of western traffic manager.

SIR MORTIMER CLARK, who died at Cushing's Island, Maine, on Saturday, Aug. 11, had been an outstanding figure in Canadian affairs. He was born in Aberdeen, Scotland, in 1836 and received his early education there finishing at Edinburgh University. He came to Canada as a young man and was admitted to the bar in 1861. He practised his profession in Toronto for many years as a member of the law firm of Clark, Gray and Baird. Gradually he built up an extensive connection as a private trustee and he handled very successfully many large estates. Perhaps no man in Canada was more successful in the handling of trust funds and his reputation for absolute integrity and supreme foresight was well founded. His interest in trust funds led to his being one of the active movers in the formation of the Toronto General Trusts Corporation. He wrote the charter and constitution of that company and up to the time of his death was actively concerned with it. In business his connections were wide, including places on the directorates of the Metropolitan Bank, the Consumers' Gas Co., the Canadian General Electric and other concerns. His activities extended in other directions and included a very active interest in the management of Knox College. For thirty years he was a member of the board of management, twenty-four of them as chairman. In addition, he was a senator of Toronto University, an early director of St. Andrew's College and a trustee of the Home for Incurables. It was not, however, until he became Lieutenant-Governor of Ontario in 1903 that he became a prominent figure in the public eye. He filled that honorable post with a great degree of credit indeed, until 1908. Sir Mortimer remained a clear thinker until the very end. A representative of THE POST had a long conversation with him a few days before he left for Maine and found him with memory undimmed and his powers of observation apparently as keen as ever. On that occasion Sir Mortimer gave THE POST representative much valuable information bearing on the proper handling of trust funds.

HOW U.S. FOOD BILL WILL AFFECT THE FARMER

Fixing of Minimum Wheat Price in the United States Will Boost Prices on the Canadian Market.

Special to the FINANCIAL POST by Agnes C. Laut.

Washington.—The Food Bill has come from the Senate in such an eviscerated and emasculated form that at time of writing it is doubtful whether it will escape the President's veto. The omission to exclude foreign drinkables has been remedied; and foreign drinkables are not to be imported during the War. Where Canada has set a maximum price of $2.40 above which wheat must not go, Uncle Sam's wise senators have set a minimum price of $2 to the end of 1919 below which wheat must not go. The interaction there is as plain as the nose on one's face. If the War continues, wheat prices in the United States will soar to the highest bidder. Wheat, in fact, jumped 50 cents as soon as it was apparent what the Senate was doing, and oats rose on an ascending scale from 64 cents retail to 90 cents in a few days. If wheat is fixed at $2.40 in Canada and soars as Hoover predicted to $5, in the U.S., either all Canada's crop will have to be bought beforehand by the Allies, or all the embargo laws on earth cannot keep it from crossing an invisible line to the United States. The public price may be $2.40 in Canada. The private price will be just what the buyer has to pay; and there has never been a human law that could over-ride the natural laws of supply and demand.

The American Government crop reports have been roseate. The reality is far from roseate. It is the end of July and haying is at a stand still from rains almost daily. The heat and the rain are forcing the corn ahead; so that we have howled with joy over the big corn crop we are going to have; but the crop is two months behind; and an early fall would cut corn estimates by a third from the Mississippi to the Atlantic. This might mean higher priced feeds for stock; and the reaction of the Food Bill is already causing consternation among dairymen. When the Food Bill began to shape up in the Senate into a "bone" "stone" dry measure, the brewers and distillers stopped. Brewers' grains and distillers' grains form a tremendous portion of stock feed in the East to-day. Dealers all through the country are short thousands of car loads of feed. Brewers' and distillers' grains are corn and barley and rye cooked and pre-digested with the fermentation drawn off. The reaction of this will presently be evident in higher priced meats, milk and butter; and the farmer will again be lectured on not doing his duty by the country.

Germany deals with these measures more wisely. Potatoes literally sustain whole sections of German agriculture. The potatoes are sold to the distillers. The distillers return the potato mash to the farmers. The farmers use the potato mash for stock feed. The stock fertilizes the land. This circle of potatoes-mash-stock-fertilizer is what gives Germany crop averages of 500 bushels of potatoes to the acre. Stock is Germany's best fertilizer as it is any farming country's; but when Germany saw that the distilleries had increased their output of alcohol 300% in 40 years, she did not ruin her farmers to get a slap at liquor. Nor did she purpose seeing her farmers debauched by alcohol. She took the potato distilleries under government control and clapped on such graduated taxes that it was unprofitable to produce alcohol for drinking purposes; but it was exceedingly profitable to produce de-natured alcohol for motor and technical uses. In one case, the tax was so high it left no profit for the distillery. In the other case, the tax was so graded as to leave most profit from the sale of the mash to the farmers.

While no class will welcome "bone dry" "stone dry" legislation more than the farmers, the sudden shut down of the big by-products from the distilleries will increase stock feeds almost to prohibitive figures. If the framers of the Food Bill had been a body of scientific experts, instead of haggling political amateurs, they could have framed this measure so that alcohol from the distilleries would have to be de-natured and the big profit would come from the stock feeds—as Germany has done.

Another example of food legislation running amuck is in the fool advice to use whole wheat bread. That means the farmer will lose his supply of bran and middlings. The prices of both are to-day beyond the reach of the average purse; and while the whole wheat bread will increase the supply of bread for man, it will decrease the supply of meat and milk for man.

In fact, I am frankly frightened of any Meddlesome Mattie politicians sticking their hands into the laws of supply and demand. An unexpected break always occurs in the scheme. The one thing that the Food Bill might have done to increase prices to the farmer and lessen prices to the buyer was to take over the distribution of foods between farm and city market, wiping out the toll of middleman. This, the Food Bills have failed to do; and it will be interesting to watch for the next year whether they do any one on earth the slightest good.

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RUSSIA IS ON VERGE OF FINANCIAL CRISIS

Paper Money Very Plentiful — Wages and Prices Are Going Skyhigh—But Russia is in War to End—Impressions of Returned Traveler.

That Russia is approaching a serious financial crisis, as well as a political crisis, is the opinion brought back from that country by James A. Hossack, sales manager of the Lufkin Rule Company, after a three months' stay there. Mr. Hossack had planned his trip long before the revolution came, but he did not permit the sudden political upheaval in Russia to interfere with his plans. He sailed from Vancouver on April 22nd, and landed in Vladistock on May 1st. Owing to delays there, it was May 21st before he reached Petrograd. It had been his intention to visit the other principal cities of Russia, including Moscow, Odessa and Niji-Novgorod, but this he found to be impossible. Practically all trains in Russia are monopolized by soldiers, either coming back from the front or returning to the colours, and, in any case, the difficulties met with in the matter of passports, etc., are almost insurmountable.

Mr. Hossack's impressions were, therefore, gained almost exclusively from his visit in the capital itself. That conditions in Petrograd, however, reflected accurately the conditions in other parts of the country is a safe assumption.

Russia is revolving dizzily on a high-price spiral. Everything is going up almost out of sight—wages, commodity prices, business charges, etc. The first day that he arrived in Petrograd he found that city in the throes of several strikes. The dry-goods clerks, for instance, had struck for a 100 per cent. increase in wages, to be made retro-active to the first of 1916. It had to be granted, of course, but in order to cover themselves, the dry goods merchants had to advance all their goods 300 per cent. This, of course, made the cost of clothing so high that employees in other lines had to strike for higher wages. Their employers in turn advanced the price of their goods. This went right around the circle, until it came back to the dry goods trade again. The employees of the dry goods stores found that the cost of everything had gone ahead of them so far again that it was necessary to have another agreement. So they struck again for more wages. And got what they struck for, of course.

So it goes in an endless circle. Prices in many lines have advanced as much as 1,000 per cent. Here is a list of commodity prices that Mr. Hossack compiled on June 3. A rouble, which was worth 51c. before the war, is now worth about 22c.

Potatoes, 23 roubles a bag.
Boots, 80 to 150 roubles a pair.
Wood, 45 roubles a sagenge (cord).
Lemons, 1 rouble each.
Cucumbers, 1 rouble each.
Grapes, 12 roubles a pound.

Flooded with Paper Money.

People are buying everything they can at these figures. They have plenty of money. There is no gold, silver or copper in sight. All this "real money" is carefully hoarded away and transactions are made in paper money. It is estimated that, whereas the Russian Government had issued six milliards of paper money before the war, there is now a toal of forty milliards in circulation. Paper money has been issued for even the lowest denomination—one kopek, and for two, three and five kopeks. At the present price of things, a kopek, which before the war represented half a cent, has little value. Paper kopeks are bandied around by the handful, by the pocket full. A man starts out for the day with his pockets crammed with paper money. He tips the waiter, who brings him his lunch, by bringing out a handful of paper money and passing it over. It is very seldom that any effort is made to make accurate change. You get a handful of paper. It may be ten or fifteen kopeks short or an equal amount over. Neither party cares. You put the paper in your pocket and go away contented. If any money blows away from you during the course of a transaction, you don't bother chasing it. It would not pay you for the time. Such, at least, is the way things are in business circles. Perhaps lower down there is more careful handling.

1 КОПѢЙКА 1
2 КОПѢЙКИ 2
3 КОПѢЙКИ 3
5 КОПѢЕКЪ 5

Samples of the paper money in circulation in Russia.

Money has become indescribably dirty from much use. It is, however, the official currency of the realm and has the Government of Russia behind it. It is accepted in all business transactions and at the banks. It is handled loosely because the advance of all prices has reduced the buying power of the rouble; and in any case, the Russian is a free spender. If he makes fifty roubles to-day—and it is not a difficult matter to make fifty roubles in Russia now for the lowest form of labour—he is very likely to go out and spend it. He figures that he can make fifty roubles again to-morrow. If there is any thriftiness in the Russian race, it is not apparent in Petrograd at the present time.

Solutions Suggested.

Among the educated classes it is apparent that the country is approaching financial crisis. It is believed that the Government, when a form of Government is found sufficiently stable to sober so crucial a question, must take one of two courses:

First, repudiate a certain proportion of the paper money in circulation, possibly 25 per cent.

Second, take over 25 per cent. of all deposits in the banks over a certain amount and on all securities held by individuals over a certain amount and give Government bonds in return.

The second is believed to be the best method of stablizing the finances of the country.

No Money Sent Out of Country.

The only step that has been taken so far to control the financial situation is a Government order prohibiting the sending of money out of the country. This measure is intended as a temporary one to enable the authorities to get the situation in hand. For the time being it puts a stop to all purchase of supplies in foreign countries, except in cases where the shipper is prepared to take his chance and wait for payment. Some outside firms were continuing to do business with Russian importers on an agreement by which the money covering goods supplied was left on deposit in Russian banks to their credit. This amounted to practically the same thing as sending the money out of the country, as it was withdrawn from circulation; and the Government has now issued a further order prohibiting the depositing of money to the credit of foreign firms. This is also a temporary measure, but it is not likely to be lifted until the financial situation has improved.

Mr. Hossack is extremely optimistic, however, and believes that the situation will right itself. The resources of the country are so great that there can be no question of the ability of Russia to meet her debts. He believes that, as soon as the country settles down under a well-established form of government, the present chaos in business and financial matters will soon be remedied. Prices of goods are bound to remain high, owing to the great scarcity that exists in Russia in every line, particularly in foods. The tendency to soar to unheard-of prices could, however, be checked if a government were established with real authority.

The Great Wealth of Russia.

A visitor to Russia, even during these troublous times, carries away an indelible impression of the wealth of the country. It has resources so great and so inexhaustible that the country seems immune to any real danger. Disasters on the field and financial or political crises at home are events of the passing moment, and can have no bearing on the future that lies ahead of this great country. The people themselves feel it. They are beginning to feel their strength. When they hear of German successes, they say: "They can't hurt us. We are too big."

The business sections of Petrograd are metropolitan in every respect. The stores are big and well equipped, comparing favourably with the best shops to be found anywhere. Inside they carry the best goods. It is a mistake to assume that only cheap goods are sold in Russia. This impression, which undoubtedly existed, can perhaps be traced to the Germans, who had marked down Russia as their own commercial field for exploitation, and were interested, therefore, in creating an entirely wrong idea of the possibilities of trade in that country.

At present, there is a tremendous demand in Russia for everything. There is a shortage in practically every line. Russia is an agricultural country and depends on the outside world for nearly all manufactured goods. As it has been difficult to import goods since the war broke out, the supplies have practically vanished. When a merchant advertises to-day, for instance, that he has boots for sale, the rush of customers literally swamps the store. It is not unusual to see lines many hundred yards long waiting outside a store.

An idea of the difficulties under which business men in Russia have labored can be gained when it is told that at Vladivostock, the chief port on the Pacific, through which a large share of the goods from the outside world passes, there are 540,000 tons of goods lying around waiting for shipment. Every empty corner lot in the town is piled up with freight, some covered with canvas, some exposed to the elements. The place is one large freight yard.

Food is very scarce. Only black bread is obtainable—black as the ace of spades and sour. Flour is not obtainable for any other purpose, so pies, puddings and cakes are unknown. Vegetables are scarce and meat supplies are not plentiful, except in the matter of game.

Opportunities for Trade.

The future holds out wonderful opportunities for trade in Russia. Before the war, Germany had almost a monopoly on the field, but the Russians are now themselves looking around for new sources of supply. They do not want to trade with Germany after the war. They say they will not.

But this fact must be borne in mind. The end of the war will find Russia bared of all manufactured goods. The condition is serious enough now. When the blockade of war is lifted, Russia will want goods of all kinds in tremendous quantities at once. The people of Russia do not want to renew their former close trade relations with the enemy, but, if German goods come into the country on a market bared of everything, they are going to buy German goods. That is inevitable. It might be that they would decide to deal with Germany, for the time being, until they could get squared away. But it would be easy to slip back into the old system. **If British and American manufacturers are not ready to supply Russia with what she needs as soon as the war ends, then Germany will get that trade back.**

And so Mr. Hossack feels that now is the time for the work to be started. It will not be sufficient to start when the war stops. In the first place, there is only one way to do business with Russia, and that way cannot be learned from here. The great necessity for manufacturers at the present day is to cultivate the Russian field and to build up connections.

Getting Out

Getting out of Russia is not an easy matter. It takes several weeks in all. Mr. Hossack found that it took two weeks to get his passports. He paid a man 250 roubles to stand in line at the railroad headquarters and buy his ticket. It was necessary to pass any number of examinations and to satisfy innumerable officials. It is much easier to get into Russia than out.

Finally he reports that the feeling in Russia is strongly for continuing the war. The people do not want separate peace. At present they are enjoying their new liberty to the wildest extent, and the soldiers are coming home because they want to get their share of land, if any division is to be made. But the soldiers are now returning to the trenches, which accounts largely for the railroad congestion. The soldiers simply take possession of the trains.

BRANCH IN HALIFA

West Indian Firm Establishes Agency To Handle Canadian Goods

A branch of the firm of T. Geddes Grant of Port-of-Spain, Trinidad, has been opened in Halifax with a view to more expeditious handling of Canadian shipments to the British West Indies. Mr. Grant has been devoting his attention to the development of business between Canada and the British West Indies for nearly seventeen years, and has travellers visiting all the colonies included in the Preferential Trade Agreement with Canada.

In an interview Mr. Grant says: Owing to the proximity of Canada and the British West Indies, and because of the fact that one is the exact opposite of the other in the nature of its products there should be a very extensive trade between the two. The population of the British West Indies is two millions and their annual imports amount to over sixty-five million dollars, their exports being five millions less than that amount. The two countries being under one flag and one supplying what the other needs and cannot produce itself, there is no probability of their business relations being interfered with by a hostile tariff. In fact it is just the reverse and we look forward to the time when the preferential tariff between Canada and the British West Indies will be considerably more generous than it is now.

"Though the means of communication are not all that we might desire, nevertheless we have a regular fortnightly service between Canada and the British West Indies, a service which is not afforded many other parts of the Empire under present war conditions. Having then these shipping facilities we have the means for Canadian manufacturers securing more of our trade. Because of the impossibility of obtaining manufactured goods in any large quantity from the usual source of supply—the old country—our merchants are looking to the United States and Canada, but when they or their buyers visit New York, it is very seldom that they get any further. The New York commission men see to that.

"The islands just now are enjoying an unusual measure of prosperity owing to the high prices obtained for their chief product, sugar, and therefore, though everything is of higher price than formerly, the West Indian is in a position to meet these higher prices."

J. W. W. Stewart, managing director of the Monarch Life Assurance Co., informs the FINANCIAL POST that his company's total production for the first seven months of the year shows an increase of 60 per cent. over the same period last year.

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Current Opinion

THE INCOME TAX.

Great is the power of public opinion. No government, nor public institution, nor even private institutions, can long resist the demand of aroused and intelligent public opinion. Ever since the outbreak of the war, with the enormous and ever increasing expense entailed, thereby, there has been a steadily growing demand for increased taxation on those best able to bear it. "Conscription of wealth" has become a popular phrase in Canada, and while it is so far largely a misnomer, the feeling behind it favors drastic taxation to pay the war bill. The Ottawa government has been slow to respond to the popular demand and has continued to pay almost the entire cost of the war by borrowing. The borrowing has largely been done from the Canadian people. Last week, however, the finance minister, Sir Thomas White, introduced in the House of Commons a sharply graduated income tax, beginning on all the incomes over $2,000 for single men, with a further exemption of $1,000 for married men. A married man with an income of $4,000 will pay a tax of $40, but if unmarried his tax will be $80. On a $5,000 income, the tax will be $80 and $120. On a $10,000 income the tax will be $360 and $400. On an income of $100,000 a year the tax will be $14,760 for a married man and $14,800 for an unmarried man. There will be general satisfaction throughout Canada that the government has at last imposed an income tax to take effect during the current year. The only difference of opinion will be as to the rate of taxation. In this hour of the nation's need, when men are being called upon to sacrifice their lives, it seems little to ask a man with $100,000 income to contribute only $14,800 to the nation. The experience in other countries, however, has been that the income tax has been steadily increased, particularly on the large incomes. The government of Canada will find it necessary to take the same action. Those who have the money should be forced to contribute it to the needs of the nation. It would not impose any tremendous sacrifice upon a man with $100,000 income to force him to give $50,000 of it to the public treasury. Our war debt will be enormous. It will be a tremendous burden to meet even the interest payments, let alone the repayment of the principal.

In connection with the income tax, Sir Thomas White stated that the present tax on corporation incomes would terminate with the present year and that the new income tax would after that time apply to corporations also. Without having definite figures it would seem that this would make the tax on corporations much lighter than it is to-day. Big business has been protesting vigorously against the corporation tax and has evidently secured concessions. When full details are available we believe that public opinion will demand that the tax on the profits of the corporations be continued quite as heavily as it is at the present time.

WHAT GERMANY WANTS.

Wall Street Journal.

It may be that the translator of Chancellor Michaelis' address to members of the German Reichstag made a familiar mistake in English, from an inaccurate knowledge of the language. The Chancellor told his hearers, "We all know what Germany wants." The statement might have been true, and if he had said, as he might honestly have said, "We all know what Germany needs," the statement would have been untrue, but it would at least have been a tangible step towards peace.

During three dreadful years the whole world has learned what Germany wants. She wants a great many things which do not belong to her; she wants territorial gains and advantages to which she is not entitled; she wants a world supremacy which would throw civilization back to the standards of the feudal system. She wants to impose upon a tributary world, which has advanced under the spirit of democracy, an intolerable slavery. It is quite conceivable that all the Chancellor's hearers, as he is reported to have said, know what Germany wants. We know, and that is why we are at war with Germany.

If he had said they knew what Germany needed, he would have opened the way to the truth. What Germany needs is peace, food, clothing and commodities of all kinds, a restoration of her credit, and one thing above all which his hearers would have recognized, although they must be well aware of the desperate need of the others. What Germany needs is a moral rehabilitation. She needs the establishment of the world's standards of national honor; she needs to appreciate the fact that righteousness exalteth a nation and that the nation which departs from its paths is on the road to perdition.

And, as the Chancellor well knows, the world is striving to show Germany what she needs, and can afford to postpone indefinitely the consideration of what she wants until that task is accomplished. So long as the German people are taught that they are of different clay to other men, specially chosen to rule other nations by the strong hand, and entitled to take what they want irrespective of their rights or the rights of others, the war must continue.

There must be no more of the Kaiser's "strategical necessity," and the sanctity of treaties must be taught in the German schools and universities in order that the sanctity of the smallest contract is taught everywhere. It is education that Germany needs, and not that teaching of the right of a state to do wrong, which is a negation of all education, for there can be nothing worth the name which is not founded on morality.

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Trustees, guardians, executors, administrators—those having charge of trust funds, have special reasons for exercising the utmost discrimination in choosing investments.

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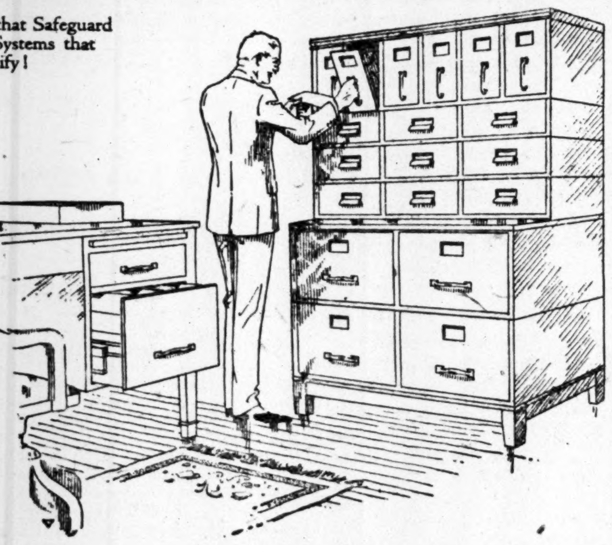
A NEWSPAPER DEVOTED TO MUNICIPAL BONDS

There is published in New York City a daily and weekly newspaper which has for over twenty-five years been devoted to municipal bonds. Bankers, bond dealers, investors and public officials consider it an authority in its field. Municipalities consider it the logical medium in which to announce bond offerings.

THE BOND BUYER
25 WEST BROADWAY NEW YORK, N.Y.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NEWS OF THE BOND MARKET

LARGE CITY ISSUES ARE HAVING CALL

This is the Feature of the Bond Market at Present.

ARE YIELDING SIX PER CENT

One by One Larger Cities of the Country Are Getting Their Needs Attended To, But at a High Price

City issues are now monopolizing the attention of the bond market. A month ago Ontario county patriotic issues had the run. To-day the larger cities are securing much-needed money. London, Hamilton and Edmonton have successively come to the front, each with an issue approximating three-quarters of a million. There has also been to date an attractive offering of Quebec's. Next week at least one and possibly two important city issues will be placed on the market. After that there are indications of provincial flotations under way, while in the distance a new government loan is already looming up. At six per cent., the various large city issues are doing very well. They are in line with the Dominion bonds at this figure and will doubtless continue to sell at this level until the value of the latter securities begins to appreciate. Business in these specialties is brisk, though in the general market conditions are quiet enough.

Within the past few weeks there has been a change of sentiment apparent in the bond market. When the $100,000,000 loan was announced in New York and the unusually attractive nature of its terms was appreciated, the feeling became general that Canada was to be saved from another domestic appeal for funds for several months. It would be at least January before the next loan would be attempted. Unfortunately for this view, the loan in New York was not the great success that was anticipated. True, the money was secured, but instead of going to a premium the loan immediately began to sag and it has been weak ever since at from one to one five-eighth points below the issue price.

Now, had this loan been a pronounced success; had it been largely over-subscribed; the Finance Minister might easily have gone back for more money. As it is, lack of success has been tantamount to a declaration that Canada must fall back on its own resources. Either that, or another strenuous effort must be made to convince Uncle Sam that he should allow the Dominion to participate in the advantages of the next Liberty Loan. The unlikelihood of this desirable arrangement, however, is so apparent, that no reliance should be placed on it.

A Change of View

From the belief that loan number four would not be attempted until after the new year, bond dealers are swinging round to the idea that it will be due this fall. About the same time as the Liberty Loan in the United States, when the contagion of big investing is in the air, in the thought in the minds of many. Bond dealers meetings this week, discussion of plans, etc., all point to a fairly early appeal to the Canadian public.

Canada begins to cash in on its year's business in the fall. Money becomes more plentiful and bank accommodation is reduced. Moreover, as bond payments will be spread over several months, the pressure will not be felt until well on into 1918. If proper educational methods are employed and investors are shown that it is their current and not merely their accumulated savings that should go into the loan, then there should not be any great difficulty in raising the desired amount. The country needs this education and it should get it this time.

Hamiltons Going Well

Reports received from Brent, Noxon & Co., purchasers of the Hamilton issue, indicate that the bonds are being sold at an entirely satisfactory rate. An initial offering of the long-term portion of the issue, amounting to $467,860, was made early in the week and these were being cleared off at about $100,000 a day. As no circularizing was done until late in the week, this must be regarded as a most favorable showing. The price, at which this portion of the issue was offered, netted purchasers 5⅞%. The shorter-term portion will be offered at 6%. A few months ago such a price for Hamiltons would have been regarded as incredible but 6% now seems to be the established figure for short term city bonds.

Edmonton Notes

When Mayor Henry of Edmonton was in the east recently he made arrangements with Wood, Gundy & Co. to take up an issue of $750,000 city of Edmonton notes. These are now being offered by the Toronto bond house to investors, constituting the latest city issue to be placed before the public. The issue is divided into three parts, $250,000 maturing in one; $250,000 in two and $250,000 in three years from September 1, 1917. The one-year notes are offered at a price to yield 6¼%; the two-year variety at 6⅜%, and the three-year kind at 6½%. The notes are secured by the hypothecation of $972,657 long-term bonds.

Quebecs At 6 Per Cent.

An attractive offering of city of Quebec bonds is also being made by Wood, Gundy & Co. These are the unsold portion of the $750,000 issue purchased by them last January and amounting to $250,000. The bonds are 5%, dated February 1, 1917, and maturing February 1, 1927, and are offered at 92.84 and interest, to yield a straight 6%. Wood, Gundy & Co. point out in a letter to their clients that in ordinary times these bonds would sell on approximately a 4% to 4¼% basis, which shows how exceptionally good an opportunity is now afforded investors to acquire the securities of a conservative old city like Quebec at an attractive rate.

Alberta Leads

Alberta is the first province to come into the market this season. Yesterday an offering of $1,000,000 five per cent. five-year-old bonds, dated August 1, 1917, and free from all succession duties and other taxes, was made by the Dominion Securities Corporation and Wood, Gundy & Co. at 94.70 and interest. At this price these bonds yield a full 6¼%, which certainly makes the issue unusually attractive.

Other Issues Placed

Township of Pelee, Ont., sold its issue of $6,300, 6%, 10-instalment municipal building debentures last Saturday to Macdonald, Bullock & Co. at 98.15.

Beamsville sold $19,450, 6%, 20-instalment bonds to R. C. Matthews & Co. at $19,080.45. Seven tenders were received, ranging as follows:—

R. C. Matthews & Co.	$19,080.45
G. A. Stimson & Co.	19,022.10
C. H. Burgess & Co.	19,014.00
Macdonald, Bullock & Co.	18,983.20
Mulholland, Bird & Graham	18,820.00
Macneill & Young	18,771.20
Brent, Noxon & Co.	18,711.00

PREMATURE REPORTS

No Details Ready Yet Regarding the Next Liberty Loan

Secretary of the Treasury McAdoo made the following announcement on Monday: "Some time ago I warned the public against recurring unreliable reports with regard to the next Liberty Loan. These reports, purporting to give information as to the date, amount and other details relative to the next issue, continue to appear.

"I take occasion again to state that these publications are unauthorized and untrue. They are merely speculative, and the public should not be misled by them. These matters have not been determined. As soon as they are, I shall make official announcement of the plans. Reports in the meantime may be regarded as unfounded."

NOT AFFECTED

Quotations on C.N.R. Securities in London Market Practically Unchanged

A Toronto bond house, which has been actively interested in the transfer of Canadian Northern and other bonds from Great Britain to this country, was in touch this week by cable with its London agent. The latter reported that the quotations on Canadian Northern securities in that market since the announcement of the proposed state purchase were practically unchanged. The 1934 registered 4% stock was quoted at 81; Alberta guaranteed bonds due 1943 at 76 and Manitoba guaranteed bonds due 1930 at 78. These prices are very little under recent levels.

Ratepayers of the town of Weston will pay a tax rate of 33 mills this year, which is one mill less than the 1916 rate. Taxes will be paid in two instalments, the first due Sept. 20 and the second Nov. 20. If paid on time one per cent. discount will be allowed on the second instalment.

Leamington has cut down its tax rate this year from 26 to 23 mills. The town treasurer showed that the balance due the bank was only $9,000, compared with $58,000 last year.

EDUCATION IS NEEDED TO ENCOURAGE THRIFT

In United States Plans Are Already Being Laid to Inform the People.

HOARDING AND THRIFT

Interesting Comments on the Habit of Hoarding Money Instead of Depositing or Investing It

It is being realized in the United States that education is needed to bring the public to a right sense of the importance of investing in war loan bonds. The same is true of Canada. The appeals that have hitherto been made have been couched in language that is understood only by people who know something of investments. More simple and broader appeals are needed,—something that will explain clearly and emphasize fully the needs of the situation.

In this connection the Bache Review published recently some interesting material:—

Organizing Campaigns.

The importance of educating the American public in Government bond buying is being recognized, and action is being taken to organize an extensive campaign of education. Those who have spoken or written on the subject are urging people, rich and poor, to begin at once to lay aside a certain part of their earnings or incoming dividends, to be invested in the next loan. Employers are called upon to organize savings movements for this purpose among their workers.

An illustration of the workings of this has been given by Mr. Benjamin Strong, Jr., Governor of the New York Federal Reserve Bank, in a recent article in the Tribune. If, he says, an industrial organization employing 20,000 laborers earning $1,200 each per annum, each could afford $100 out of this, their employer could agree that $8 per month be deducted from each man's pay and deposited in bank for future investment. Fifty dollars apiece in six months would total $1,000,000. As this was being accumulated, it could be invested in the Government's short obligations, which in turn would be used to pay for the loan bonds when they were put upon the market. By this process no inflation would occur while the funds were being accumulated, as would be the case if the movement became widespread and large amounts accumulated as bank balances which, when the loan was offered, would have to be more or less suddenly withdrawn from the banks, producing contraction.

Mr. Strong divides investors in Government bonds into four classes—those who have money hoarded; capitalists and corporations with large surplus bank balances; bond buyers and investors who have credit and borrow temporarily from their banks (the least desirable of Government bond buyers); and last, the great body of wage earners and salaried people to whom the above illustration applies.

Hoarding as Related to Thrift.

It is to be doubted whether in this country we have a proportionately large body of hoarders. Hoarding is the first crude step towards thrift, because it is an ignorant method of attempting to provide for future contingencies by putting away present funds.

The Far East has always been the most fertile ground for the cultivation of hoarding (a crop, however, which rarely sprouts); and untold millions of gold and silver have been buried through the centuries and still lie untouched in that ancient soil.

But the war has awakened even the Oriental world. A part of the last English war loan was undertaken to be raised in India and the result has been most satisfactory—over $130,000,000 having been already subscribed. The Statist thinks that this will induce the Government of India to provide, whenever possible, means of investment for the saving classes in India, which will be profitable to the country and will wean the body of the natives from the wasteful habit of hoarding. India hoards every year a very large sum—an average estimated close to $54,000,000 per annum. "This hoarding is pure waste. The greater part of it furnishes ornaments for the women; a smaller part is locked up in treasuries. But practically whatever becomes of it, it is waste. It returns no interest of any kind to those who hoard, and consequently it continues the great poverty of the people."

A Curious Development of Hoarding.

In Egypt, with a good cotton crop and high prices, the people have been hoarding on a larger scale than usual and, being unable to get gold, they have taken to hoarding notes of the National Bank of Egypt, resulting in an enormous extension of the circulation of the Bank, which is ordinarily not higher than $5,000,000 (one million sterling), but is now in excess of $100,000,000.

As has been said, the proportion of hoarders in this country is small. Our people have always been a happy-go-lucky lot, as a whole, blinded by present overwhelming plenty to the seemingly far-off possibility of future want.

SITUATION IN U. S.

New York Authority Says Market Is Exclusively Short-Term

Commenting on last week's sale in the United States of $20,000,000, three-year, 5% notes of the Great Northern Railway, which was successful on a 5¾% basis, the Wall Street Journal points out that the present is almost exclusively a short-term market.

There is no demand for bonds. The foreign market is of course shut out. Insurance companies, banks and savings banks and other institutions are out of the market so far as bonds are concerned. Investors are not interested. There is, however, a demand by these institutions and investors for short term notes. Probability is that where an issue of $20,000,000 notes or more would be quickly snapped up, as in the case of the Great Northern, it would be impossible to dispose of an equal amount of bonds.

The nearer we approach the time of bringing out of the next government loan the more difficult the problem of selling bonds is likely to become. Insurance companies and banks are of course doing more or less buying of bonds, but it is only bargains that they are taking advantage of, such as where a block of bonds, which the holder wishes to dispose of, are offered perhaps three or four points below the market.

Should the next government loan be a huge success with a large over-subscription, it might have the effect of reviving the market for fixed obligations so as to enable corporations a few months later to bring out long time issues, but for the immediate future the outlook is for note financing.

Certainly the bond houses find no inquiry for bonds. Almost the only issues they are touching are short time securities, and then the scrutiny of the offering is most careful. Where a house would ordinarily take on an offering of $2,000,000 notes without a second thought, the present disposition is to express a willingness to take a $500,000 interest with other organizations. That is a quick reversal from the optimism which was general last month.

Kidgetown's tax rate this year has been struck at 40 4-5 mills, of which 1 mill is the provincial government tax and 2 mills the special county tax for war purposes.

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TORONTO

FREE FROM TAXATION
We are prepared to buy or sell the various domestic War Loans at most favorable rates.
Write for Particulars.
R. A. DALY & CO.
BANK OF NOVA SCOTIA BUILDING
TORONTO

DEBENTURES FOR SALE.

Town of Kenora
Debentures for Sale

SEALED tenders addressed to the undersigned will be received on Aug. 27, for $13,949.79 Consolidated Debt Debentures bearing interest at 6% payable half-yearly on June 30 and Dec. 31, and maturing Dec. 31, 1953. Interest payable at Imperial Bank, Kenora. The Council reserves the right to reject all tenders.

J. E. CURRIE,
Treasurer

Bridgeburg, Ont.
TENDERS FOR DEBENTURES

SEALED Tenders addressed to the undersigned will be received up to 3 p.m. Aug. 27th, 1917, for the purchase of $30,000 30-year 5½ per cent. school debentures. The highest or any tender not necessarily accepted.

R. A. LAND, Town Clerk.
Bridgeburg, Ont.

PROVINCE OF QUEBEC MUNICIPAL BONDS

Yielding 5½% to 6%

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Reserve - - 685,902.02
Assets - - 7,426,971.18

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WINNIPEG TORONTO
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VANCOUVER EDMONTON
LONDON, ENG. EDINBURGH, SCOT

Canada Permanent Mortgage Corporation

Toronto Street, - Toronto

Established 1855.

Paid-up Capital - - $6,000,000.00
Reserve Fund (earned) - 5,000,000.00
Investments - - - 32,264,782.81

DEPOSITS

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Every facility is afforded Depositors. Deposits may be made and withdrawn by mail with perfect convenience. Deposits of one dollar and upwards are welcomed. Interest at

Three and One-Half Per Cent

per annum is credited and compounded twice a year.

DEBENTURES

For sums of one hundred dollars and upwards we issue Debentures bearing a special rate of interest, for which coupons payable half-yearly are attached. They may be made payable in one or more years, as desired. They are a

LEGAL INVESTMENT FOR TRUST FUNDS

CURRY-JANSEN, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 31st day of July, 1917, incorporating Frank Joseph Hughes and Daniel Patrick James Kelly, solicitors; Violet Stewart, stenographer; Edward Joseph Curry and Hans Vogal Jansen, manufacturers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.: To manufacture and deal in goods, wares and merchandise. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Curry-Jansen, Limited," with a capital stock of forty thousand dollars, divided into 800 shares of fifty dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 2nd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

FIELD OF MUNICIPAL FINANCE

MUNICIPALITY CHANGES MIND ON BOND OFFER

South Vancouver Said to be Willing to Accept Bid Formerly Rejected.

CERTIFICATES MATURING

Need for Money to Retire These Induces Officials to Try to Sell Their Bond Issue at Present Time

The municipality of South Vancouver has a big proposition on its hands in the shape of an item of $797,000 treasury certificates which mature early next year. At the present time the municipality has not the funds with which to retire the issue but has an issue of $998,000 bonds which are for disposal. Some time ago they were offered to Spitzer, Rorick & Co. of Toledo who offered a figure of 80½. The municipal authorities would not sell at this figure, the councillors being of the opinion that a better price could be secured. Now, however when the time for the retirement of the treasury certificates is drawing near, the council is making efforts to secure bids on the debentures in stock. To that end they have wired the bond house to see if the previous offer is still good. In the event of a favorable reply being received, it is probable that the big issue will be disposed of. The reeve has stated that the municipality will be in a good financial position provided the treasury certificates are retired on time.

Reeve Russell has another scheme whereby funds may be secured for the use of the municipality. At the last tax sale, lands assessed at $652,000 reverted to the municipality and it is the reeve's scheme to obtain power from the government to borrow against these properties. At a forced sale, the assessed value could not be realized but if held for a rise in value it is said that it would be a good speculation on the part of the council.

HAS A SURPLUS

Public Accounts of Quebec for Last Fiscal Year Make Good Showing

The Hon. W. G. Mitchell, Provincial Treasurer of Quebec, announced this week at the Government offices that the ordinary receipts of the Province for the fiscal year ending the 30 of June, 1917, amounted to $10,441,113.71, and that the ordinary and extraordinary expenditure for the same period amounted to $9,907,673.10, so that the surplus of ordinary revenue over ordinary and extraordinary expenditure last year is $533,440.61, out of which was paid the sum of $375,000, being the payments made by the Government of the Province of Quebec, to the Canadian Patriotic Fund during the year, on account of the subscription of $1,000,000 of the Province, authorized at the last session of the Legislature, leaving a surplus over and above all ordinary and extraordinary expenditure and payments on account of the Canadian Patriotic Fund of $158,440.61.

APPEAL TO PEOPLE

Vote Will be Taken in Montreal on Method of Civic Government

Twelve members of the Montreal City Council decided at a recent meeting to hold a referendum asking the people whether they were in favor of government by a Board of Control. It will cost the city $22,000 to satisfy the aldermanic curiosity. Two questions, which were to have been asked along with the other, have been eliminated, from the resolution. One was whether the public were in favor of government by a City Council, the other whether the Board of Control should be elected by proprietors only. The resolution was presented by Ald. Mayrand and Turcot.

The city clerk is instructed in the resolution to hold the referendum the first legal day next month, which will be Tuesday, September 4, the day following Labor Day. Nothing is said or hinted as to where the money is to come from. Ald. Mayrand says it is up to the City Clerk to find it. He will pass the problem to the Controllers.

MUNICIPAL INCOME TAX.

A Civic Problem Which is Causing Trouble at Winnipeg.

Why should an income tax replace a business tax as a means of raising revenue for municipal purposes? This is a question which is being asked in Winnipeg, according to The Winnipeg Telegram. A proposal to the effect indicated has been laid before the city council by the Board of Valuation and Revision. Pointing out that it seems that the proposal is intended to be taken as justifying itself without argument, The Winnipeg Telegram says there are quite a number of people to whom the improvement is not self-evident, and adds:

> Not that an income tax is intrinsically objectionable. It would catch a lot of estimable citizens who now escape paying their fair share. The fact should not be forgotten, however, that an income tax levied by the Dominion of Canada is one of the probabilities of the near future. The percentage to be demanded on behalf of the federal treasury is likely to far from insignificant. If there is to be a similar impost for municipal purposes, the drain on some incomes would be a decided inconvenience. One result might be to drive a lot of people to live in the suburbs.
>
> But even with an income tax, why should there not also be a business tax? By what process of logic can the one be regarded as a substitute for the other? Of course if the two together would yield more money than the city requires, there would be reason for omitting one of them. But such a contingency sounds improbable.
>
> No annual levy can be devised that will be popular. The sum needed has to be raised. The business tax is a reliable method of getting a considerable proportion of the amount. An income tax would produce another considerable proportion. Aren't they both useful?

CIVIC HOUSECLEANING

Municipal Manager Has Proven Success at Jackson, Mich.

Jackson, Mich., was for years one of those badly managed cities which had an unenviable reputation as regards current deficit, heavy debt and civic scandals. Finally the climax was reached and a change was made in the system of government with a city manager to take charge of the municipal business. The new system has now been in force to show results and here is what has happened according to the Grand Rapids Press:

> Municipal offices were taken out of politics.
>
> All city purchasing is placed in the hands of one agent.
>
> Three hundred and eighty-three thousand dollars' worth of property illegally exempted from taxation was returned to the rolls.
>
> All cash discounts are taken.
>
> Sanitary inspection was made efficient, rigid milk inspection inaugurated, and a tuberculosis hospital was equipped.
>
> The waste of hundreds of thousands of gallons of water was stopped and the entire sewage system re-designed.
>
> Scientific methods were adopted in the appraisal of property and in expenditures.
>
> All charities were organized and relief work superintended by a competent expert.
>
> Finances have been set in order. The floating deficit from overdrafts that had been carried for years was wiped out. The city indebtedness was decreased more than $50,000.
>
> The city ordinances are being overhauled, a lot of obsolete laws removed, and a revision made that will give the citizens a compact and understandable set of laws.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Aug. 21, Penetanguishene, Ont.—$15,000 5%, 15-instalment debentures, guaranteed by the County of Simcoe, and dated June 1st, 1917. W. H. Hewson, Town Clerk.

Aug. 21, Galt, Ont.—$23,236.51, 5½% local improvement debentures, of which $17,661.36 mature in 15 instalments, and $5,575.15 in 20 years straight. Alfred Taylor, Chairman, Finance Committee, Galt, Ont.

Aug. 27, Bridgeburg, Ont.—$30,000, 30-year, 5½% school debentures of the town of Bridgeburg. R. A. Land, Town Clerk, Bridgeburg, Ont.

Aug. 27, Kenora, Ont.—$13,949.79, 6% consolidated debt debentures, maturing Dec. 31, 1953. J. E. Currie, Town Treasurer, Kenora, Ont.

Aug. 25, New Glasgow, N.S.—$14,000, 20-year, 5% debentures. James Roy, Town Clerk.

Aug. 27, Campbellford, Ont.—$19,000 electric light and power debentures, 10 annual instalments, at 5½%. J. W. Cairns, Mayor. F. W. Wood, Town Treasurer.

Sept. 4, Shawinigan Falls, Que.—$125,000 20-year debentures at 6%.

BY-LAWS PASSED OR DEFEATED.

July 30, Bloomfield, Ont.—$8,000 for development of electric energy, passed.

Aug. 10, Windsor, Ont.—$47,000 for erection of isolation hospital and municipal garage, defeated.

BY-LAWS TO BE VOTED ON.

Aug. 31, Wellington, Ont.—$10,000 for the purpose of development, transmission, and distribution of electrical power and energy.

Aug. 20, St. Lambert, P.Q.—$95,000 cash bonus, in lieu of a free site to the Dominion Textile Co. If six proprietors disapprove, there will have to be a special poll; otherwise the bill will go automatically into effect.

SASKATCHEWAN.

The following is a list of debenture applications granted by the Local Government Board from July 30th to Aug. 3rd:—

School Districts.—Sunny Valley, $2,000; *Sharon, $1,800; *Querrin, $2,000; *Norden, $800; Upper Wakefield, $350; Kutawagan, $1,800; Glen Elder, $1,800; Purple Hill, $2,100.

*Being sold by the Local Government Board.

Rural Telephone Companies.—Hillsborough, $23,200; Montmartre, $1,200; South Pennant, $10,800; Warren, $5,400; Conger, $3,600; Forgan, $10,000; Quinton, $13,100; Idaleen, $1,800; Denzil, $22,100; Eden Valley, $1,000; Elbow, $16,900; South La Fleche, $37,600; Village of Dunblame, $1,500.

BOND SALES.

$1,000 Bell Telephone at 96; $1,800 Canada Bread at 92½ to 92; $1,000 Canada Cement at 97; $1,400 Can. S. S. debs. at 78¼; $500 Dom. Cotton at 98½; $3,000 Dom. Iron at 88; $1,000 Lake of the Woods at 99¾; $200 Lyall Cons. at 90; $2,000 N.S. Steel at 83; $2,500 Montreal Trams. debs. at 73; $1,000 Price Bros. at 83; $15,000 Quebec Light, Heat, etc., at 62; $500 Rio Janeiro at 80; $2,200 Steel Co. of Can. at 94¾; $18,000 War Loan (1925) at 97¾ to 97; $76,000 War Loan (1931) at 96½ to 95½; $436,400 War Loan (1937) at 95¼ to 94¾.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
July 27	Butterton, S.D., Sask.	Goldman & Co., Regina			$1,600		
" 27	Howard, S.D., Sask.	Goldman & Co., Regina			1,200		
" 27	Mabel Hill, S.D., Sask.	C. M. Gripton, St. Catharines, Ont.			1,200		
" 27	Olga, S.D., Sask.	Town of Francis			500		
" 27	Bird's Eye View, S.D., Sask.	Town of Francis			600		
" 27	Quill Lake View, S.D., Sask.	Can. Landed & Nat. Invest. Co., Winnipeg			1,200		
" 27	Wymark, S.D., Sask.	Can. Landed & Nat. Invest. Co., Winnipeg			2,000		
" 27	Parkside, S.D., Sask.	Can. Landed & Nat. Invest. Co., Winnipeg			1,200		
" 27	North Instow, S.D., Sask.	C. M. Gripton, St. Catharines, Ont.			1,400		
" 27	Estuary, S.D., Sask.	Great West Life Ass. Co., Winnipeg			15,000		
" 27	Curzon, S.D., Sask.	Goldman & Co., Regina			2,000		
" 27	Acreworth, S.D., Sask.	C. M. Gripton, St. Catharines, Ont.			1,900		
" 27	Glasslyn, S.D., Sask.	C. M. Gripton, St. Catharines, Ont.			1,500		
" 27	Prairie Rose, R.T., Sask.	W. L. McKinnon & Co., Regina			9,000		
" 27	Wartime, R.T., Sask.	Wood, Gundy & Co., Saskatoon			11,000		
" 27	North East Webb, R.T., Sask.	W. L. McKinnon & Co., Regina			3,400		
" 27	Rock Creek, R.T., Sask.	G. T. Brander, Regina			2,700		
" 27	Fielding, R.T., Sask.	Wood, Gundy & Co., Saskatoon			4,800		
" 27	Bromhead South, R.T., Sask.	J. A. Thompson, Winnipeg			9,600		
" 27	Hawoods, R.T., Sask.	Geo. Foley, Saskatoon			9,000		
" 27	Dilke, R.T., Sask.	W. L. McKinnon & Co., Regina			8,400		
" 27	Sceptre, R.T., Sask.	W. L. McKinnon & Co., Regina			22,000		
" 27	Wiseton, R.T., Sask.	W. L. McKinnon & Co., Regina			20,500		
" 27	Snipe Lake (municipality)	Goldman & Co., Regina			10,000		
" 27	Wakau (village)	W. L. McKinnon & Co., Regina			2,500		
Aug. 3	Burke, S.D., Sask.	Can. Landed & Nat. Invest. Co., Winnipeg			1,800		
" 3	Marcelin, S.D., Sask.	W. L. McKinnon & Co., Regina			6,000		
" 3	Crocus Prairie, S.D., Sask.	Goldman & Co., Regina			2,000		
" 3	Beatty, S.D., Sask.	Goldman & Co., Regina			2,000		
" 3	Plenty, R.T., Sask.	J. A. Thompson, Winnipeg			26,000		
" 3	Rockhaven, R.T., Sask.	Mulholland, Bird & Graham, Toronto			7,000		
" 3	Pearl Creek, R.T., Sask.	John A. Todd, Duluth			6,600		
" 3	Narrow Lake, R.T., Sask.	W. L. McKinnon & Co., Regina			6,500		
" 3	Spears, R.T., Sask.	Geo. Foley, Saskatoon			22,000		
" 3	Talmage, R.T., Sask.	Regina P. S. Sinking Funds			1,800		
" 3	New Imperial, R.T., Sask.	Regina Sinking Funds			121,000		
" 10	Beamsville, Ont.	R. C. Matthews & Co.	6%	20-ins.	19,450	94.	
" 11	Township of Pelee	Macdonald, Bullock Co.	6%	10-yr. ins.	6,300	98.15	
" 14	Edmonton	Wood, Gundy & Co., Saskatoon	6%	1 to 3 yrs.	750,000		
" 14	Township of Kenyon	W. L. McKinnon & Co., Regina	5½%	18-year	15,000		
" 14	Manitoba School Districts	C. H. Burgess & Co.	7%	15-ins.	9,000		
		Dominion Securities					
" 16	Alberta Province	Wood, Gundy & Co., Saskatoon	5%	5-year	1,000,000		

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We own and offer for safe investment
The following

6% Debentures

$ 11,000, Town of Laval de Montreal, due Sept. 1st, 1942.
15,000, School Municipality of Pointe aux Trembles, due 1st May, 1942.
112,500, Town of Pointe aux Trembles, due May 1st, 1942.
264,000 Town of Saint Laurent, due May 1st, 1927.

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Col. MacLean was in Germany When War Broke Out

HOW he got out, what he saw, heard, learned and concluded, he tells in the August number of MACLEAN'S MAGAZINE. Colonel MacLean knows Europe thoroughly. He knows high-up men in all the great political and commercial capitals of Europe—diplomats, bankers and great merchants. These men told him freely and plainly many startling things about Germany and her intentions.

In a contribution of truly sensational interest, abounding in most startling facts, Colonel MacLean points out "The Dangers Ahead." His aim is to arouse Canadians out of their unwarranted confidence and out of their content. You will find in this article by Colonel MacLean strange, even shocking revelations, and things hard to believe—and you ought to read "The Dangers Ahead" in order that you may help in their avoidment by Canada and her people.

MacLean's for August Is a Midsummer Number

The August MACLEAN'S is excellently balanced, as you will see from these contents:

CONTENTS

The Dangers Ahead. By John Bayne MacLean.
The Menace of Canadian Titles. By Joseph Martin, M.P.P.
Rev. C. A. Eaton—A Canadian Who Speaks Out. By Beatrice Redpath.
Frenzied Fiction for the Dog Days—(Done by the Dipperful). By Stephen Leacock.
The Human Side of Conscription. By H. F. Gadsby.
Winning the War in the Air. By Agnes C. Laut.
A Circus Story. By L. B. Yates.
Mam'selle Butterfly. By Arthur Beverly Baxter.
The Captain of the Susan Drew. By Jack London.
An Andy Doolin Yarn. By Hopkins Moorhouse.
A Detective Story. By Robert E. Pinkerton.
The Gun Brand. By Jas. B. Hendryx.
Canada's First Woman Member.
Economy in Preserving and Canning.
Women and Their Work—A New Department, Review of Reviews—Regular Department.

YATES who writes the Circus Story, was born in Hamilton. He wrote those stories about Paragon Pete and The Singin' Kid in the Saturday Evening Post.

LEACOCK is excessively humorous in his Dog Days Sketch, in which he talks about summering and simmering.

MISS LAUT fancies that the war may be won by the birdmen, and if Uncle Sam produces 100,000 planes, she may be right.

GADSBY sits in the Press Gallery at Ottawa, and writes brilliantly always. His "Conscription" article is in order.

PINKERTON, who writes the detective story, "Old Twilight," knows how to write this class of story.

By the way, Lord Northcliffe has promised an article for the September MACLEAN'S.

You can see that MACLEAN'S for August is just the right type for August.

At All News-Dealers 15 Cents

PROVINCE OF QUEBEC MUNICIPAL BONDS

Yielding 5½% to 6%

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Paid-Up Capital	$2,410,925.31
Reserve	685,902.02
Assets	7,426,971.18

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WINNIPEG TORONTO
VICTORIA REGINA CALGARY
VANCOUVER EDMONTON
LONDON, ENG. EDINBURGH, SCOT

Canada Permanent Mortgage Corporation

Toronto Street, - Toronto

Established 1855.

Paid-up Capital	$6,000,000.00
Reserve Fund (earned)	5,000,000.00
Investments	32,264,782.81

DEPOSITS

The Corporation is a LEGAL DEPOSITORY FOR TRUST FUNDS

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Three and One-Half Per Cent

per annum is credited and compounded twice a year.

DEBENTURES

For sums of one hundred dollars and upwards we issue Debentures bearing a special rate of interest, for which coupons payable half-yearly are attached. They may be made payable in one or more years, as desired. They are a

LEGAL INVESTMENT FOR TRUST FUNDS

CURRY-JANSEN, LIMITED.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 31st day of July, 1917, incorporating Frank Joseph Hughes and Daniel Patrick James Kelly, solicitors; Violet Stewart, stenographer; Edward Joseph Curry and Hans Vogal Jansen, manufacturers, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.: To manufacture and deal in goods, wares and merchandise. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Curry-Jansen, Limited," with a capital stock of forty thousand dollars, divided into 800 shares of fifty dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario. Dated at the office of the Secretary of State of Canada, this 2nd day of August, 1917.

THOMAS MULVEY,
Under-Secretary of State.

FIELD OF MUNICIPAL FINANCE

MUNICIPALITY CHANGES MIND ON BOND OFFER

South Vancouver Said to be Willing to Accept Bid Formerly Rejected.

CERTIFICATES MATURING

Need for Money to Retire These Induces Officials to Try to Sell Their Bond Issue at Present Time

The municipality of South Vancouver has a big proposition on its hands in the shape of an item of $797,000 treasury certificates which mature early next year. At the present time the municipality has not the funds with which to retire the issue but has an issue of $998,000 bonds which are for disposal. Some time ago they were offered to Spitzer, Rorick & Co. of Toledo who offered a figure of 80½. The municipal authorities would not sell at this figure, the councillors being of the opinion that a better price could be secured. Now, however when the time for the retirement of the treasury certificates is drawing near, the council is making efforts to secure bids on the debentures in stock. To that end they have wired the bond house to see if the previous offer is still good. In the event of a favorable reply being received, it is probable that the big issue will be disposed of. The reeve has stated that the municipality will be in a good financial position provided the treasury certificates are retired on time.

Reeve Russell has another scheme whereby funds may be secured for the use of the municipality. At the last tax sale, lands assessed at $652,000 reverted to the municipality and it is the reeve's scheme to obtain power from the government to borrow against these properties. At a forced sale, the assessed value could not be realized but if held for a rise in value it is said that it would be a good speculation on the part of the council.

HAS A SURPLUS

Public Accounts of Quebec for Last Fiscal Year Make Good Showing

The Hon. W. G. Mitchell, Provincial Treasurer of Quebec, announced this week at the Government offices that the ordinary receipts of the Province for the fiscal year ending the 30 of June, 1917, amounted to $10,441,113.71, and that the ordinary and extraordinary expenditure for the same period amounted to $9,907,673.10, so that the surplus of ordinary revenue over ordinary and extraordinary expenditure last year is $533,440.61, out of which was paid the sum of $375,000, being the payments made by the Government of the Province of Quebec, to the Canadian Patriotic Fund during the year, on account of the subscription of $1,000,000 of the Province, authorized at the last session of the Legislature, leaving a surplus over and above all ordinary and extraordinary expenditure and payments on account of the Canadian Patriotic Fund of $158,440.61.

APPEAL TO PEOPLE

Vote Will be Taken in Montreal on Method of Civic Government

Twelve members of the Montreal City Council decided at a recent meeting to hold a referendum asking the people whether they were in favor of government by a Board of Control. It will cost the city $22,000 to satisfy the aldermanic curiosity. Two questions, which were to have been asked along with the other, have been eliminated, from the resolution. One was whether the public were in favor of government by a City Council, the other whether the Board of Control should be elected by proprietors only. The resolution was presented by Ald. Mayrand and Turcot.

The city clerk is instructed in the resolution to hold the referendum the first legal day next month, which will be Tuesday, September 4, the day following Labor Day. Nothing is said or hinted as to where the money is to come from. Ald. Mayrand says it is up to the City Clerk to find it. He will pass the problem to the Controllers.

MUNICIPAL INCOME TAX.

A Civic Problem Which is Causing Trouble at Winnipeg.

Why should an income tax replace a business tax as a means of raising revenue for municipal purposes? This is a question which [illegible] being asked in Winnipeg, accordi[illegible] The Winnipeg Telegram. A proposal to the effect indicated has been laid before the city council by the Board of Valuation and Revision. Pointing out that it seems that the proposal is intended to be taken as justifying itself without argument, The Winnipeg Telegram says there are quite a number of people to whom the improvement is not self-evident, and adds:

> Not that an income tax is intrinsically objectionable. It would catch a lot of estimable citizens who now escape paying their fair share. The fact should not be forgotten, however, that an income tax levied by the Dominion of Canada is one of the probabilities of the near future. The percentage to be demanded on behalf of the federal treasury is likely to far from insignificant. If there is to be a similar impost for municipal purposes, the drain on some incomes would be a decided inconvenience. One result might be to drive a lot of people to live in the suburbs.
>
> But even with an income tax, why should there not also be a business tax? By what process of logic can the one be regarded as a substitute for the other? Of course if the two together would yield more money than the city requires, there would be reason for omitting one of them. But such a contingency sounds improbable.
>
> No annual levy can be devised that will be popular. The sum needed has to be raised. The business tax is a reliable method of getting a considerable proportion of the amount. An income tax would produce another considerable proportion. Aren't they both useful?

CIVIC HOUSECLEANING

Municipal Manager Has Proven Success at Jackson, Mich.

Jackson, Mich., was for years one of those badly managed cities which had an unenviable reputation as regards current deficit, heavy debt and civic scandals. Finally the climax was reached and a change was made in the system of government with a city manager to take charge of the municipal business. The new system has now been in force to show results and here is what has happened according to the Grand Rapids Press:

> Municipal offices were taken out of politics.
>
> All city purchasing is placed in the hands of one agent.
>
> Three hundred and eighty-three thousand dollars' worth of property illegally exempted from taxation was returned to the rolls.
>
> All cash discounts are taken.
>
> Sanitary inspection was made efficient, rigid milk inspection inaugurated, and a tuberculosis hospital was equipped.
>
> The waste of hundreds of thousands of gallons of water was stopped and the entire sewage system re-designed.
>
> Scientific methods were adopted in the appraisal of property and in expenditures.
>
> All charities were organized and relief work superintended by a competent expert.
>
> Finances have been set in order. The floating deficit from overdrafts that had been carried for years was wiped out. The city indebtedness was decreased more than $50,000.
>
> The city ordinances are being overhauled, a lot of obsolete laws removed, and a revision made that will give the citizens a compact and understandable set of laws.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED.

Aug. 21, Penetanguishene, Ont.—$15,000 5%, 15-instalment debentures, guaranteed by the County of Simcoe, and dated June 1st, 1917. W. H. Hewson, Town Clerk.

Aug. 21, Galt, Ont.—$23,236.51, 5½% local improvement debentures, of which $17,661.36 mature in 15 instalments, and $5,575.15 in 20 years straight. Alfred Taylor, Chairman, Finance Committee, Galt, Ont.

Aug. 27, Bridgeburg, Ont.—$30,000, 30-year, 5½% school debentures of the town of Bridgeburg. R. A. Land, Town Clerk, Bridgeburg, Ont.

Aug. 27, Kenora, Ont.—$13,949.79, 6% consolidated debt debentures, maturing Dec. 31, 1953. J. E. Currie, Town Treasurer, Kenora, Ont.

Aug. 25, New Glasgow, N.S.—$14,000, 20-year, 5% debentures. James Roy, Town Clerk.

Aug. 27, Campbellford, Ont.—$19,000 electric light and power debentures, 10 annual instalments, at 5½%. J. W. Cairns, Mayor. F. W. Wood, Town Treasurer.

Sept. 4, Shawinigan Falls, Que.—$125,000 20-year debentures at 6%.

BY-LAWS PASSED OR DEFEATED.

July 30, Bloomfield, Ont.—$8,000 for development of electric energy, passed.

Aug. 10, Windsor, Ont.—$47,000 for erection of isolation hospital and municipal garage, defeated.

BY-LAWS TO BE VOTED ON.

Aug. 31, Wellington, Ont.—$10,000 for the purpose of development, transmission, and distribution of electrical power and energy.

Aug. 20, St. Lambert, P.Q.—$95,000 cash bonus, in lieu of a free site to the Dominion Textile Co. If six proprietors disapprove, there will have to be a special poll; otherwise the bill will go automatically into effect.

SASKATCHEWAN.

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" 27	Olga, S.D., Sask.	Town of Francis	....	......	500	.....	.....
" 27	Bird's Eye View, S.D., Sask.	Town of Francis	....	......	600	.....	.....
" 27	Quill Lake View, S.D., Sask.	Can. Landed & Nat. Invest. Co., Winnipeg	....	......	1,200	.....	.....
" 27	Wymark, S.D., Sask.	Can. Landed & Nat. Invest. Co., Winnipeg	....	......	2,000	.....	.....
" 27	Parkside, S.D., Sask.	Can. Landed & Nat. Invest. Co., Winnipeg	....	......	1,200	.....	.....
" 27	North Instow, S.D., Sask.	C. M. Gripton, St. Catharines, Ont.	....	......	1,400	.....	.....
" 27	Estuary, S.D., Sask.	Great West Life Ass. Co., Winnipeg	....	......	15,000	.....	.....
" 27	Curzon, S.D., Sask.	Goldman & Co., Regina	....	......	2,000	.....	.....
" 27	Acreworth, S.D., Sask.	C. M. Gripton, St. Catharines, Ont.	....	......	1,900	.....	.....
" 27	Glasslyn, S.D., Sask.	C. M. Gripton, St. Catharines, Ont.	....	......	1,500	.....	.....
" 27	Prairie Rose, R.T., Sask.	W. L. McKinnon & Co., Regina	....	......	9,000	.....	.....
" 27	Wartime, R.T., Sask.	Wood, Gundy & Co., Saskatoon	....	......	11,000	.....	.....
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" 27	Wiseton, R.T., Sask.	W. L. McKinnon & Co., Regina	....	......	20,500	.....	.....
" 27	Snipe Lake (municipality)	Goldman & Co., Regina	....	......	10,000	.....	.....
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" 3	Rockhaven, R.T., Sask.	Mulholland, Bird & Graham, Toronto	....	......	7,000	.....	.....
" 3	Pearl Creek, R.T., Sask.	John A. Todd, Duluth	....	......	6,600	.....	.....
" 3	Narrow Lake, R.T., Sask.	W. L. McKinnon & Co., Regina	....	......	6,500	.....	.....
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$ 11,000, Town of Laval de Montreal, due Sept. 1st, 1942.
15,000, School Municipality of Pointe aux Trembles, due 1st May, 1942.
112,500, Town of Pointe aux Trembles, due May 1st, 1942.
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Col. MacLean was in Germany When War Broke Out

HOW he got out, what he saw, heard, learned and concluded, he tells in the August number of MACLEAN'S MAGAZINE. Colonel MacLean knows Europe thoroughly. He knows high-up men in all the great political and commercial capitals of Europe—diplomats, bankers and great merchants. These men told him freely and plainly many startling things about Germany and her intentions.

In a contribution of truly sensational interest, abounding in most startling facts, Colonel MacLean points out "The Dangers Ahead." His aim is to arouse Canadians out of their unwarranted confidence and out of their content. You will find in this article by Colonel MacLean strange, even shocking revelations, and things hard to believe—and you ought to read "The Dangers Ahead" in order that you may help in their avoidment by Canada and her people.

MacLean's for August Is a Midsummer Number

The August MACLEAN'S is excellently balanced, as you will see from these contents:

CONTENTS

The Dangers Ahead. By John Bayne MacLean.
The Menace of Canadian Titles. By Joseph Martin, M.P.P.
Rev. C. A. Eaton—A Canadian Who Speaks Out. By Beatrice Redpath.
Frenzied Fiction for the Dog Days—(Done by the Dipperful). By Stephen Leacock.
The Human Side of Conscription. By H. F. Gadsby.
Winning the War in the Air. By Agnes C. Laut.
A Circus Story. By L. B. Yates.
Mam'selle Butterfly. By Arthur Beverly Baxter.
The Captain of the Susan Drew. By Jack London.
An Andy Doolin Yarn. By Hopkins Moorhouse.
A Detective Story. By Robert E. Pinkerton.
The Gun Brand. By Jas. B. Hendryx.
Canada's First Woman Member.
Economy in Preserving and Canning.
Women and Their Work—A New Department, Review of Reviews—Regular Department.

YATES who writes the Circus Story, was born in Hamilton. He wrote those stories about Paragon Pete and The Singin' Kid in the Saturday Evening Post.

LEACOCK is excessively humorous in his Dog Days Sketch, in which he talks about summering and simmering.

MISS LAUT fancies that the war may be won by the birdmen, and if Uncle Sam produces 100,000 planes, she may be right.

GADSBY sits in the Press Gallery at Ottawa, and writes brilliantly always. His "Conscription" article is in order.

PINKERTON, who writes the detective story, "Old Twilight," knows how to write this class of story.

By the way, Lord Northcliffe has promised an article for the September MACLEAN'S.

You can see that MACLEAN'S for August is just the right type for August.

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IDEAL WAR-TIME POLICIES

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It's a question whether there is a more completely satisfied class of men anywhere than those Mutual Life policyholders, who are to-day receiving settlements under maturing endowment policies. Year by year they have laid by in premiums sums that would otherwise probably have been dissipated, and now they find that for every $100.00 so invested, from $125.00 to $210.00 have been received, depending on the length of the endowment term. Meanwhile, their homes have been protected for the face value of the policies. Thus endowments in the Mutual of Canada combine an easy savings system with a gilt-edged investment and perfect home protection.

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Government Telephones

The Experience of Manitoba

Politics *vs.* Service

Students of public ownership problems should give careful consideration to the experience of Manitoba in the operation of its telephone system—the largest under government ownership in America.

They should read how the usual evils of politics and patronage undermined the efficiency of service and the stability of finances.

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By James Mavor, Ph.D., Professor of Political Economy in the University of Toronto, author of "An Economic History of Russia," etc., etc.

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INVESTORS' INSURANCE NOTES

U.S. SOLDIERS WILL BE WELL PROVIDED FOR

Comprehensive Insurance Measure Receives Endorsation of the President.

FAMILIES ARE SUPPORTED

Bill Includes Within Its Field the Work Now Being Done in Canada by the Patriotic Fund

A bill proposing a system of government insurance has been introduced in the Senate of the United States and in the House of Representatives providing for family allowances, indemnification, re-education, and insurance in behalf of officers and enlisted men of the army and navy in the United States. The draft bill has received the approval of President Wilson.

The main purpose of the bill is to grant a reasonable government indemnity against the losses and risks incurred in the discharge of a patriotic duty and in the performance of an extraordinary hazardous service to which the government has called and forced the citizen.

Family Provided For

It provides not only for the man but his family and accomplishes these ends by granting a reasonable measure of indemnity against the risk of loss of the life or limb of the breadwinner. The risk of dependency, in the case of an enlisted man's family, is indemnified against by allotment of part of the pay of the enlisted man, supplemented by a family allowance, granted and paid by the Government. The total expenditure for the first and second years is estimated by Secretary of the Treasury William G. McAdoo as follows:

	First year.	Second year.
Family allow'ces.	$141,000,000	$190,000,000
Death indemnit's.	3,700,000	22,000,000
Compensation for total disability.	5,250,000	35,000,000
Compensation for partial disabilty	3,200,000	21,000,000
Insur'ce against death and disability	23,000,000	112,500,000
Total	$176,150,000	$380,500,000

Approved By Experts

The bill before being introduced to the Senate and House of Representatives was submitted to the advisory committee of insurance representatives, who approved of the bill as a whole, but suggested a number of changes in detail, some of which were accepted.

One objection was raised by the committee against the proposed plan of insurance whereby any man in the service could purchase from $1,000 to $10,000 worth of insurance. They contended that the wealthier men in the service would be obtaining an advantage. The president of the Actuarial Society of America met this objection by stating that the premium rate would be between $7 and $8 per $1,000 of insurance, and this low rate would enable practically every private to take the maximum amount of insurance.

Pay Must Be Assigned

Allotment is compulsory. A private getting $33 a month and having a wife and two children must assign $15 of his pay. The Government supplements this by giving the family an allowance of $32.50. The Government will allow $5 per month for each additional child. If a man has other dependents than wife or children, he can assign $5 more of his pay and secure an allotment of $10 from the Government. The maximum allowance by the government is $50.

Men who do not assign one half their pay may be compelled by the War Department or Navy Department to deposit so much of the half pay as is not assigned, these deposits to bear interest at 4 per cent. per annum compounded semi-annually.

Pensions for Disabled

Under the existing pension system in the United States a man totally disabled by losing both arms and both legs in battle would receive $100 per month, regardless of the size of his family. Under the compensation provisions of the bill, if he were a private and unmarried he would receive $40 per month; if he needed an attendant or nurse he would receive an additional $20. If he had a widowed mother dependent on him he would get another $10. If he subsequently married he would get $15 more. If he had children the compensation would again be increased $10 a month for each of the first two children; making a possible maximum of $105 per month. In addition to all pay he would receive free treatment and be fitted with artificial limbs.

Through this plan of insurance the opportunity is given to every man to gain greater protection for himself and for his family than the United States Government itself voluntarily gives in case of total disability or death resulting from injuries or disease contracted in the service. This legislation would tend to check any future attempts at service pension legislation by enabling a man now to provide against impairment through old age, total disability, or death resulting from other causes and to give all this protection to those kindred who may be dependent upon him and who do not share in the Government compensation. Under the existing laws, the monthly service pensions range from $12 to $30 for a man and $8 for a widow and $2 for a child.

An Alternative

According to Secretary of the Treasury McAdoo if this plan of compensation and insurance is rejected by the Government, the pension system would have to be resorted to and would cost more than the proposed plan. The pension system would not provide the same benefits nor cover the subject in [illegible] same comprehensive, humane [illegible]quitable way, no provision being made under the pension laws for family allowances or life insurance while the men are at the front.

WOUND UP

Weather Insurance Co. Reinsured With Home Insurance Co.

The Canada Weather Insurance Co. has been wound up on its own petition. The policies of the company have been reinsured with the Home Insurance Co. of New York.

The company was incorporated in 1908 with a nominal capital of $500,000 of which $44,430.70 was paid up. In April of this year the Government refused to continue the license on the ground that the surplus was not sufficient to protect the policyholders. The assets of the company are $20,572 with liabilities of $3,654.39.

VISITS THE COAST

General Manager of the London Life is in British Columbia

J. G. Richter, general manager of the London Life Assurance Company, arrived in Vancouver last week on a tour of inspection of the properties and investments of the company in this province. The insurance man states that conditions generally throughout the west had improved materially since his last visit in 1915. After having taken a tour of the business district of Vancouver Mr. Richter said that the city had especially impressed him as being on the up-grade as regards business as compared to conditions obtaining at the time of his last visit. In connection with the investments of the company he said that the chief investments in British Columbia consisted of municipal debentures of which they owned quite a considerable quantity. They regarded them very favorably, he concluded, on account of the fact that the interest was always met promptly on the due dates.

NEW APPOINTEE

Permanent Secretary of Insurance Federation of B.C. Named

The Insurance Federation of British Columbia have appointed A. E. Goodman of Vancouver Permanent Secretary. Mr. Goodman went to British Columbia in 1891, and for the past twenty years has been associated with "The Colonist" in Victoria. Ernest A. Browne who formerly held the position, resigned as he was unable to devote his whole time to the work of the association due to his connection with the Norwich-Union Insurance Company and J. J. Banfield. The permanent secretary will have offices at 205 Winch Building, Vancouver.

ADJUSTERS PUZZLED

New Pest Makes Its Appearance in Western Provinces

Hail insurance adjusters of the three western provinces held a meeting recently in the city of Saskatoon to inquire into a new pest believed to be due to "thrips." Samples of damaged grain were examined. The uniformity and regularity of the damage indicated that the damage was other than hail. The following companies were represented:

Acadia, Canadian Indemnity, Great North, Municipal Commission, Canada Hail, British Crown, Excess, Canada Security, British American, Home, Middle West, St. Paul Fire and Marine, New York Underwriters, Hartford, Nova Scotia, Winnipeg Underwriters and the Rochester Underwriters.

REBATES ON PREMIUMS NOW ILLEGAL

Jurisdiction Extended to Cover all Insurance Companies in Canada.

CRIMINAL CODE AMENDMENT

Provincial Companies Are Now Placed on the Same Basis as Companies Incorporated Under Dominion Charter

An amendment to the criminal code making it an indictable offence for agents of insurance companies to make rebates on insurance premiums in order to secure business has been given its third reading in the Dominion House of Parliament. Agents of Provincial insurance companies who have been in the habit of giving rebates will now be restrained under the provisions of the amendment and in future will not have any advantage over agents of Dominion incorporated companies.

The Dominion Insurance Act expressly prohibits the granting of rebates or special terms but exercises jurisdiction only over Dominion companies and foreign companies licensed under the Act. By making rebates and special terms an offence under the criminal code the penalties provided will apply to all companies doing business in Canada, regardless of whether they have been incorporated under Dominion or Provincial acts. The penalty for the first offence is double the amount of the annual premium but not less than $100; for the second offence double the annual premium but not less than $200, and for the third offence, double the annual premium and not less than $500.

An Objection

F. B. Carvell during the debate on the bill agreed that the law should be uniform, but did not see any reason why an insurance agent should not be allowed to canvass business and sell insurance as cheaply as he liked. He thought the public ownership faddists were getting in some good work, and contended that the Government might just as well interfere with the man who sold sugar and pork, which were as essential as insurance. In his opinion the Government should have gone a step further and legislated against the excessive profits of munition makers and profiteers.

Local insurance agents interviewed by FINANCIAL POST thought the amendment would be more equitable, and would fulfil a long felt want.

Agents selling for companies incorporated under Provincial Acts have been making rebates to get the business, and have been encouraged by their companies to give such rebates, the companies making up the difference, with the result that some people have been able to get insurance cheaper than others. The effect of this legislation will be to put all the companies on an equal footing, with no unjust preferences. The heavy penalty will discourage any attempts at rebates, and the general public will pay their full premiums on a strictly business basis.

RESTRICT TERM POLICIES

Life Companies Make Ruling As To Age of Issue

The managing director of the Mutual Life Assurance Co. of Canada has issued a notification that no term policies will be written for ages up to and including 35. This action was decided on in view of conscription for war service.

The Canada Life Assurance Co. will not take term insurance up to the age of 35 for single men, but this does not apply to married men. The Canada Life has paid out over $1,000,000 in war losses and are insuring only up to the extent of $5,000 in this class, any larger policies are re-insured in other companies.

There is no uniform arrangement among insurance companies regarding term insurance, each company making its own arrangements.

Alexander Bissett, general manager for Canada of the London and Lancashire Life and General Assurance Association, Ltd., with headquarters at Montreal, has been visiting Vancouver and Victoria. Mr. Bissett was much impressed by the industrial and commercial improvement of British Columbia over last year.

CANADIAN ORDER OF CHOSEN FRIENDS

HEAD OFFICE HAMILTON, CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

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W. F. Montague, Grand Recorder.

W. F. Campbell, Grand Organizer.

J. H. Bell, M.D., Grand Medical Ex.

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Western Assurance Company

(Fire, Explosion, Ocean Marine and Inland Marine Insurance)

Incorporated 1851

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Losses paid since organization over - - - - - - - - $66,000,000.00

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Assets, Over - - - - - $ 2,700,000.00

Losses Paid Since Organization, Over - - - - - - - - $40,000,000.00

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Any man in good health and able to pay a small annual sum can by means of Life Insurance, immediately possess an Estate impossible to acquire in any other way save by years of toil.

If you have the qualifications of good health—good habits—and ability to pay a small annual premium—write to The Great-West Life for particulars of the attractive policies that have—for ten successive years—secured for The Great-West the largest Canadian Business of all the Canadian Companies.

Write, stating age, to

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Actual Results the Main Test

Don't let shadowy estimates influence your action when placing your insurance. Rather study the Actual Results of

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They are convincing proof of merit.

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Reputation gained by years of vigorous, conscientious and successful work.

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General Manager Western Canada

TORONTO

REAL ESTATE AND MORTGAGES

SOLVING THE HOUSE PROBLEM AT NEW TORONTO

Manufacturer Building Over One Hundred Homes for Workingmen.

ONLY WAY TO HOLD THEM

Lack of Skilled Labor and High Price of Building Materials Have Discouraged Building of Homes by Workmen

The shortage of houses in Canada is compelling many manufacturers and new industries to erect dwellings for their employees. Not only in the cities but throughout the country the shortage is felt. The people cannot get homes, and in many centres it has become a problem of how to house the workingman. Rents have increased nearly thirty per cent. over last year and promise to go higher. From all parts of Canada come reports of the scarcity of houses.

How this problem of homes for employees is being solved is interestingly exemplified in the case of the Brown Copper & Brass Rolling Mills Ltd., at New Toronto, Ontario. The tremendous increase in business due to the war necessitated several additions to plant and an increased army of employees. J. F. Brown, the president, soon realized that the housing facilities of New Toronto were entirely inadequate. Demand for labor became increasingly keen and it was impossible to expect much help from the city of Toronto as employees would not make the journey on the suburban car, preferring rather to work at plants nearer home. The seriousness of the situation was apparent and the need for help so great that ways and means were at once devised for housing employees in homes adjacent to the plant.

Over a Hundred Homes

"We have 115 frame houses in course of erection now," said Mr. Brown to the POST, "These are of frame construction and have 5, 6 and 7 rooms each with all modern conveniences, they will rent from $14 to $20 a month each.

"At present we employ about 800 hands and I should think that the majority of them are unmarried; in any event, whether married or unmarried, they do not appear to have any family ties. We erected one boarding house last year and in addition to this converted one of our mills into a community house with accommodation for 150 men. We give them every modern convenience including hower baths and charge only $5.50 per week for room and board. In spite of this our employees are constantly leaving. Single men with no dependents are floaters, and this decided us on building homes, as I consider married men with responsibilities the salt of the earth."

Community System

The plant is situated about four nd a half miles west of the western imit of the city of Toronto. Mr. Brown thought that about 200 of his mployees came from Toronto. Many f these will locate in the new houses s soon as they are completed. Mr. Brown is a firm believer in the comunity system of housing employees lthough he did not have an opportunity to carry his ideas into effect as ew Toronto was already organized. Where no organization exists he considers this the most up-to-date method f housing help.

Lack of skilled labor and the high rice of building materials have con-buted to discourage the building of omes by the workingman. It is esmated that seventy-five per cent. of e total value of buildings in process to-day in Canada are for busss, factory or warehouse purposes. ery little speculative building will done until after the war, as labor scarce, building material is high d sales are uncertain. That an unecedented era of building activity ll follow the war despite the high ices of building materials that are re to prevail, is the opinion of all o are in close touch with the situa-

MODEL CITY'S FATE

Be Decided When Directors Meet, Which Is Not Yet

Owing to the absence of a number directors of the Canadian Northern Montreal Land Company from this week, the affairs of Model City are still pending settlement. As soon as possible, it was announced, the meeting will be called and the future of Model City—or Mount Royal, as it is officially termed—will be decided.

The Canadian Northern Montreal Land Company has the development of the Model City scheme in hand. With the taking over of the Canadian Northern system by the Dominion Government, the future of Model City —originally a Mackenzie and Mann enterprise—is awakening considerable speculation, especially among those who have purchased lots and are unable to build till the tunnel through the mountain is completed.

"When our directors have been able to reach a decision," said H. S. Adlington, secretary of the Canadian Northern Montreal Land Company, "We shall announce our policy."

SMALL DECREASE

Income of Canadian Northern Prairie Lands Co. Fell Off In 1916

The directors of the Canadian Northern Prairie Lands Company, Limited, reporting for the year ended December 31, 1916, say:—The income from investments, loans, etc., compared with the previous year, is as follows:—For the year 1916, $184,827.30; for the year 1915, $186,993.46; decrease, $2,166.16. There are no sales of lands to report during the year, compared with a revenue of $13,200 from land sales in 1915, or a total decrease of $15,366.16 in the company's gross revenue. Deducting expenses of management and operation, the payment of two half-yearly dividends of 5 per cent. each, taxes, etc., and charging $10,000 for depreciation in the value of securities, the balance at the credit of profit and loss account is reduced to $385,740.62, a decrease of $8,739. Taxes and other charges on lands unsold have been charged against the company's revenue from year to year, so that the lands are carried on the books of the company at $3 per acre, the original purchase price. Conditions generally throughout the Canadian West are better than earlier forecasts predicted.

OPPOSE MORATORIUM

Proposal in New York Meets With Strong Opposition

The proposed Moratorium on real estate mortgages in New York has met with opposition. Life insurance companies, trust companies, savings banks, title and guarantee mortgage companies all oppose the measure. It is argued that a moratorium for the duration of the war would benefit only small speculators, or owners of large buildings who make a practice of holding only small equities, and would tend to discourage the loaning of money on mortgages.

ORGANIZATION NEEDED

Real Estate Agents Feel Standing of Business Needs to be Elevated

Real estate agents in Canada have long felt that they should be represented by a national organization which would distinguish their members from the pseudo "Real Estate Man" who is not qualified as a general rule to render the right kind of service. During the boom days so many "curbstone brokers" operated throughout Canada that the general public lost confidence, and it is now felt that something should be done to elevate the standing of the business.

In Eastern Canada the prevailing rate of commission for effecting a sale is 2½%. This is considered too low in view of the fact that the real estate firm bears all advertising expenses as well as selling expenses and does not receive any reward unless a sale is consummated by their endeavor. There is now an agitation under way to increase this rate to 3%, making it the same as the prevailing rate in Western Canada. It must be remembered that this rate does not apply to farm lands, the rate on farm lands and market gardens being 5%.

It is interesting to note that the National Association of Real Estate Boards in the United States have officially adopted the name of "Realtors" to distinguish the members from independent real estate dealers. The word has been copyrighted and its unauthorized use is rigidly prosecuted.

The Canadian public would welcome an organization of this kind in Canada. The unreliability, and in many cases fraudulent practices of "curbstone brokers" during boom days had a tendency to bring the whole business into disrepute. Holders of real estate would appreciate the value of reliable and efficient business methods. The organization would compel its members to be responsible, reliable and capable. Any infringement of the code of ethics or deviation from the policy of the organization to terminate membership.

WESTERN LAND COMPANIES DO MORE BUSINESS

Sales This Year Reported to be Well Ahead of Those of 1916.

SLIGHTLY HIGHER PRICES

FINANCIAL POST Secures Statements From Several of the Leading Companies Dealing in Farm Lands

Western land companies interviewed by FINANCIAL POST report increases over last year in the sale of western land. An official of the Saskatchewan Land Co., Ltd., estimated that sales so far this year were 50% ahead of last year. This company handles farm land only in Saskatchewan. The average prices are $15 to $17 an acre, the majority of the sales being a few cents an acre more than last year. The Canada Northwest Land Co., Ltd., handling farm land in Manitoba and Saskatchewan report sales a little better than last year with higher prices prevailing. According to an official of this company most of the buying is being done by United States investors, and farmers of adjoining sections. In his opinion the farmers of the west have more ready money than ever before, and if the crops are as good as 1915 he looks for a tremendous boom in western lands.

The Canadian Northern Railway also report sales of western farm land ahead of last year, although the majority of their sales are in block to speculators who re-sell to the farmer.

The Canadian Pacific Railway report that sales of western farm lands so far this year show a substantial increase over last year at increased prices.

A MILLION A DAY

Federal Farm Loan Board of U. S. Approves That Amount Daily

The co-operating banking system for farmers, established under the Federal Farm Loan Act of the United States has completed its first year of service. Loans to farmers are now being approved of at the rate of nearly one million dollars a day. Applications to the Federal Farm Loan Board for long term loans at five per cent. during the month of July, amounted to nearly $34,310,652. During the same month the Board approved of loans amounting to $16,016,853.

About 25 farm loan associations are being chartered daily, each association representing nearly $50,000 of loans. More than 800 farm loan associations have been chartered to date. The average number of borrowers in each association is 18, and the loans average about $2,300 each. A flat interest rate of five per cent. is established on farm mortgages in all parts of the United States. The total number of loans applied for this year is expected to reach $100,000,000.

ALBERTA MORTGAGES

Rochester Company Issues Booklet in Praise of Their Value

An elaborate booklet, most attractively illustrated and dealing with the advantages of farm mortgage investments in Alberta as negotiated by them, has been issued by the Associated Mortgage Investors Incorporated of Rochester, N.Y. The business of the corporation is thus set forth in the preamble:—

To make loans with its own funds on the security of first mortgages on improved farms in the province of Alberta, Canada.

To sell these mortgage loans to individual, estate and institutional investors to yield the investor 6% interest net.

To continue the care of all mortgages sold, without charge to the investor for this service.

The booklet explains very clearly the nature of the transaction entered into when an investor entrusts money to the corporation for investment and concludes with an array of facts and figures about the province of Alberta,—its extent, production, resources, climate, etc.

CONDITIONS IN TORONTO

Busy Fall Season, Particularly in Renting, is Predicted

Real estate agents in Toronto are preparing for a busy fall season. Particularly in renting properties. During the three fall months of September, October and November, real estate is generally active, and tenants are moving and getting settled for the winter. Increased rentals are predicted and a general scarcity of houses is even now apparent. The difficulty of renting suitable houses may force the public to buy, and while there has been very little house building going on since the war, a great many houses are being offered at bargain prices. These conditions may result in a good many transfers of property this fall.

SAVE GASOLINE

United States Official Advises Reduction of Pleasure Riding

After a careful investigation of the present gasoline situation Van. H. Manning, director of the Bureau of Mines of the U. S. Department of the Interior, has issued the following statement:

One-half of the gasoline used in the United States (1,250,000,000 gallons) is used in pleasure riding.

It is estimated that the United States Army will need 350,000,000 gallons for aeroplanes, trucks, automobile tractors, and other machines. There is no way of obtaining this in this country except by saving from the existing supply, and this economy may be effected by voluntary cutting down of pleasure riding (for instance, the man who takes his family out on Sunday for a 50-mile ride can cut this in half).

It has been estimated that by economical use enough gasoline can be saved to supply not only the United States but also its allies for war purposes.

Automobile owners need not lay up cars, but should use them either for trade or pleasure purposes thoughtfully and judiciously. If this advice is followed there will be no undue scarcity, for the United States possesses an abundant supply for ordinary purposes.

Over $70,000 worth of new building was called for in the building permits issued in Montreal last week. Permits for alterations and repairs totalled nearly $40,000.

The huge new plant of the Dominion Textile Company in St. Lambert will employ about 7,000 persons. The city is wondering where they are going to put them, as already a scarcity of houses is apparent.

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Write or phone Main 1545 for information.

The Imperative Call

THE whole world calls for greater production on the farm. It is imperative that farm production be increased during the next year. The farmer is willing to produce more, and wants all the assistance and suggestions which are feasible along this line.

The time to organize next year's production campaign is now. THE FARMER'S MAGAZINE therefore is getting out in conjunction with its September issue an *Autumn Planning Number*. Its purpose is to assist the farmer to plan and organize next year's farm work now, to lay out his work for the next twelve months and work along a definite plan.

The Autumn Planning Number will contain as far as is possible for any one number to contain a program of a year's work on the ordinary farm. It will contain a tremendous number of ideas and suggestions which will help the farmer to secure better results. The whole number will be kept and referred to many times during the coming year.

The Autumn Planning Number will be directed editorially to give the farmer assistance in planning and organizing his work for next year, so as to increase production.

The Departments of Agriculture for the various provinces as well as the Department of Agriculture for the Dominion, are also working along this line. In other words, the farm press and the Department of Agriculture are spending a tremendous amount of time and energy in helping the farmers in this greater production campaign.

The manufacturers of farm machinery, equipment, etc., have an important part to play in this educational campaign. They should tell the farmer how their own special equipment will assist the farmer to produce more. They should not leave it to the farm press or to the Agricultural Departments of the Provincial Governments to do the entire education work. It is up to them to join in this campaign, as they are the ones who will stand to gain most by it.

When the soil is being so magnificently tilled for you, sow in it. Use the power that you can have for nothing to fortify the appeal of your own proposals.

The Autumn Planning Number of FARMER'S MAGAZINE is an envelope for your letter in reply to the communication on opposite side of this page.

FORMS CLOSE AUGUST 24.

For full particulars Address
The Farmer's Magazine,
143-153 University Ave., Toronto.

If a farmer sent you this letter:

Busy Farm,
August 1st, 1917.

Dear Sirs:—

What have you got for me, good for me to know or have, for my Autumn and next year's work?

I've done pretty well this year. Crops have been good, prices are high, and I am doing my bit to help win the war. I want to do much more next year in the way of production. I want to do all in my power to respond to the call for more foodstuffs. Can you help me produce more?

Can you show me any way by which I can do my work faster, or easier, or cheaper, or with less help? Also, I am interested in improving my farm—by better fences, better buildings, better underdraining. Have you any suggestions to offer me?

My family are talking about our getting a motor car and a phonograph. Also about putting in some conveniences, such as a bathroom, a water system and electric light. Have you anything to say to us on these things?

I am going in more and more for pedigreed stock, for dairy purposes and for feeding for market, and am open to suggestions from you.

In closing, I may say that I am prepared to spend a tidy sum this Autumn, since I have the money, to make the farm and farm home a more attractive and livable place, and will welcome any suggestions or proposals from you. Please make them through the advertising columns of THE FARMER'S MAGAZINE, which I and my family read closely.

Then we can open up correspondence with you direct, and we'll do so with the hope and intention of doing business with you.

Yours truly,
JOHN RURALIST.

Would you read it and answer it in

The Farmer's Magazine?

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MOND NICKEL EXPERIENCES A GOOD YEAR

Favorable Report Presented at the Annual Meeting in London.

DEVELOPMENTS IN CANADA

Company Makes Interesting Arrangement With Its Employees to Avoid Occurrence of Labor Troubles

London financial journals to hand this week contain detailed reports of the annual meeting of the Mond Nickel Company, which was held in London on July 27.

The Chairman, in moving the adoption of the report and accounts, said that since the last meeting Mr. Lloyd George, on becoming Prime Minister and forming his new Cabinet during the month of December, appointed their late Chairman, Sir Alfred Mond, to the Chief Commissionership of Works. Sir Alfred's previous experience eminently fitted him for the position to which he was called, and he (the speaker) was sure that he voiced the sentiments of all the shareholders in wishing him every success in the performance of the new duties entrusted to him.

After dealing with the principal figures appearing in the balance-sheet, the Chairman stated that the balance carried forward to profit and loss account was £327,248, as compared with £322,589 last year. With the balance brought forward, the total was £426,590, as compared with £376,751 last year. The directors recommended the same dividend as last year, that £50,000 should again be placed to the reserve fund, and that £111,000 be carried forward.

Operations of the Co.

With regard to the operations of the company during the past year, the fourth unit at Clydach had been in successful operation, the erection of the fifth unit was progressing favorably, and preliminary steps were being taken towards the erection of a sixth unit. They had also acquired during the year at very reasonable prices an adjoining farm covering some 300 acres, which would enable them to extend their building operations when desired. The Clydach Estates Company, in which they held all the shares, had been steadily developing its building estate.

In Canada the increase of the smelter in preparation for supplying the matter necessary for six units, and the corresponding development of the mines were nearing completion, while the very extensive exploration of diamond drilling campaigns which they were carrying on had disclosed further large extensions of the ore in the existing mines, which provided them with ample reserves for a long period. During the year they had had the pleasure of a visit from the Royal Ontario Nickel Commission, to whom they had an opportunity of fully explaining their position, and who had since published an extremely able report. The legislation which was passed at the last session of the Ontario Parliament, on the recommendation of this report, in no way prejudiced the interest of the company.

Lorne Power Company

The Lorne Power Company, in which they held all the shares, had successfully put into operation a new power plant at Nairn Falls, on the Spanish River, which, as the shareholders were told last year, was in course of erection, and provision had been made for all the electrical power required for the increased output in Canada.

To enable the directors to improve the company's relations with its workmen they had elaborated a new scheme to give the company the opportunity to discus with the men at regular intervals any questions relating to wages and labor conditions and to provide automatically for the varying increase in the cost of living due to the war and to allow the remuneration of labor, so far as it should be affected by other considerations, such as responsibility and hardness of the work, to be dealt with separately. It had been arranged that there should be three meetings at regular intervals between the Union, the representatives of the men and the Board during the year, at which all questions referring to conditions of work might be brought up and thoroughly discussed, the same months being chosen as those agreed upon by the Amalgamated Society of Engineers. No change of wages was to take place in the intervals between these meetings nor any questions with regard to the alterations of wages to be brought up. The figure in the "Board of Trade Labor Gazette," showing the average increase in the cost of living over pre-war figures for the month previous to the meeting, was to be adopted as the standard, and the wages of the lowest class of labor was to be increased by that amount; the sum thus ascertained to be added to all other classes of unskilled or ordinary labor. This figure was to be the standard figure for the succeeding four months. In conclusion, he congratulated the shareholders on the very sound basis of the company's affairs. The manifold purposes to which nickel had been put during the war had much extended its use in different manufactures, and accordingly increased its consumption. He thought they might look forward with confidence to reaping the results of the large amount of work and heavy outlay which must always be preliminary to increase of output.

FINE STAND BY M.P. ON PUBLIC OWNERSHIP.

Continued from page 9

to see the public utility in Canada that in the matter of sound business management would compare for a moment with privately-owned and privately-operated utilities.

"This afternoon I referred briefly to the Manitoba telephone system. The Manitoba Government took over the telephone business under very favorable circumstances. Does the minister know that to-day in no other place in Canada are the people paying such enormous prices for telephone service as the people of Manitoba are paying for a very indifferent service? They are, in many cases, paying from fifty to seventy-five per cent. more for the service than the people in the Maritime Provinces are paying where the systems are privately owned and managed. Any public utility in Canada always costs more to operate under public ownership than it would if operated by a private enterprise. We are trying in this country to apply certain ideas and conditions that have been worked out fairly successfully in the Old Country. The bigger cities of Europe have operated tramway systems and other public utilities with a good deal of success; but for all that, we would not put up for two days with the service they have in those big cities.

Mr. German: "Is my hon. friend sure about the tramways?"

Mr. Carvell: "I am not sure, because I did not compare the tramways owned by the public with those owned by corporations. Take the telephone system in England. A man will wait half an hour to get telephone connection in England. He does not use the telephone; he uses the telegraph, simply because the telephone service is twenty years behind the times. The telegraph service is not any too good, but the telephone service is horrible. Yet we are told: Look at what the English people are doing; they are running the telephones in England. Yes, they are running them, but the people of this country would not put up with the service for two days.

"My hon. friend speaks about the operation of railroads. I have been on Government-owned railways in Germany, Holland and France and the first-class accommodation on many of the roads in Germany is not equal to what we call the tourist class in Canada. The people of Canada would not put up with the accommodation for a moment. If you are going to have public ownership of public utilities in Canada, and if you are going to get down to anything like the cost of operation by private corporations, you will have to make the service inferior, because in Canada you cannot operate a public utility for the same money as a private corporation can and give the same service. In my experience of travelling over a portion of the world, I do not think I have ever seen such an excellent service as the Canadian Pacific Railway gives us. I go to New York very frequently; I travel along the northern part of the United States and there is no service there equal to that of the Canadian Pacific Railway."

Mr. Graham: "You ought to travel between Ottawa and Brockville. It takes four hours and fifteen minutes to go seventy-three miles."

Mr. Carvell: "There is no doubt that the Canadian Pacific is giving the finest service in the world to-day, and that is simply because the Canadian Pacific has been built up by men who have started at the bottom. Many of those men are alive to-day. It is unfortunate that many of them are passing away. There is not a man at the top in the Canadian Pacific Railway Company today who did not start at the bottom, and each one feels he has a real interest in the operation of the road; he feels he is a proprietor in some sense. There is a loyalty to the system that you cannot find on the Intercolonial, or any other Government-owned road. I realize I am speaking tonight very much in opposition to current opinion in Canada. Nevertheless, those are my views, and I am stating them, no matter how they are received by the press and the people of Canada. Should my hon. friend happen to be Minister of Finance four or five years longer he will regret that he did not take the advice we are giving him this evening and not launch on this great principle of Government ownership of the Canadian Northern, which must inevitably carry along with it Government ownership of the Grand Trunk Pacific and possibly of the Grand Trunk as well."

Fire losses in the United States and Canada during July, compiled by the New York Journal of Commerce aggregate $24,564,575 as compared with $23,013,800 for the same month last year. Fire losses for the first seven months of 1917 total $169,186,300 against $148,790,220 for the same period last year.

NET PROFITS OF MARCONI CO. ARE LESS

Gross Profits Were Considerably Larger, but Net Profits Fell Below.

DIVIDENDS HAVE BEEN RAISED

Company Still Without Remuneration or Compensation From Government For Use of High Power Stations

While reference is made in the annual report of Marconi's Wireless Telegraph Company for 1916, recently issued, to the operations of the Marconi International Marine Communications Company, the Russian, French, Australian and American companies, no reference is made to the Marconi Wireless Telegraph Co. of Canada, which of course is controlled by Marconi's Wireless Telegraph Co.

The report of the British company states that the net profits of the business during the year, added to the balance brought forward from last account, after providing for expenses of management, depreciation and all other expenses, amount to £625,979. From this have to be deducted the following dividends:—On Preference shares, 7 per cent. for the year, paid February 1, 1917, £17,500; on ordinary shares, an interim dividend of 5 per cent., paid February 1, 1917, £61,134; leaving available for distribution a balance of £547,345.

The gross profits were £486,700 as against £581,700 and the net profits £318,400 as compared with £377,800. These figures however do not include the remuneration or compensation due from the government for the use since the beginning of the war of the company's high power stations.

The directors recommend payment of further dividends:—On Ordinary shares, 10 per cent. for the year ended December 31, 1916, £122,268; on Preference shares, 5 per cent. for the year ended December 31, 1916, £12,500; leaving £412,576.

It is proposed to transfer to general reserve account £32,469 and to carry forward to next account £380,106. The general reserve account will then stand at £1,000,000. The directors do not recommend the distribution of larger dividends, as, in view of the demands for apparatus and material likely to be made upon the company on the cessation of hostilities and the uncertain financial outlook, they deem it prudent to strengthen its financial position.

Following the usual custom, shares in associated companies and patents are taken into account in the balance-sheet at their cost price, namely, £1,403,923 9s. 7d, which shows an increase of £20,265 15s 1d. The par value of the shares now stands at £2,487,450 14s 10d, exclusive of shares which have no capital denomination. Owing to unfavorable rates of exchange large sums of money have been invested temporarily or placed on deposit abroad. The loss represented by the rates of exchange, calculated on December 31, 1916, has been written off against profit and loss account. In the event of ultimate realization without loss the amount so written off will appear as profit in another year.

The directors regret to have to inform the shareholders again that the company is still without any remuneration or compensation from the Government for the use since the beginning of the war of the company's high-power stations and for other relative services. Moreover, the company has not yet been afforded an opportunity of considering any proposal as to the basis upon which either remuneration or compensation is to be calculated. For the third year in succession, therefore, it has been impossible to include any sum in respect of these matters in the accounts. A number of orders have, however, been received by the company from Government Departments in respect of which payments have been duly made.

Cotton growing experimental stations have been inaugurated as private enterprises at various points in the State of Mississippi with betterment of the cotton-growing industry as their purpose. The largest of these is a farm of 33,000 acres, all under cultivation, conducted by the Mississippi Delta Planting Company at Scott, Miss.

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By order of the Board,
J. COOPER MASON, Acting General Manager.
Toronto, July 18th, 1917.

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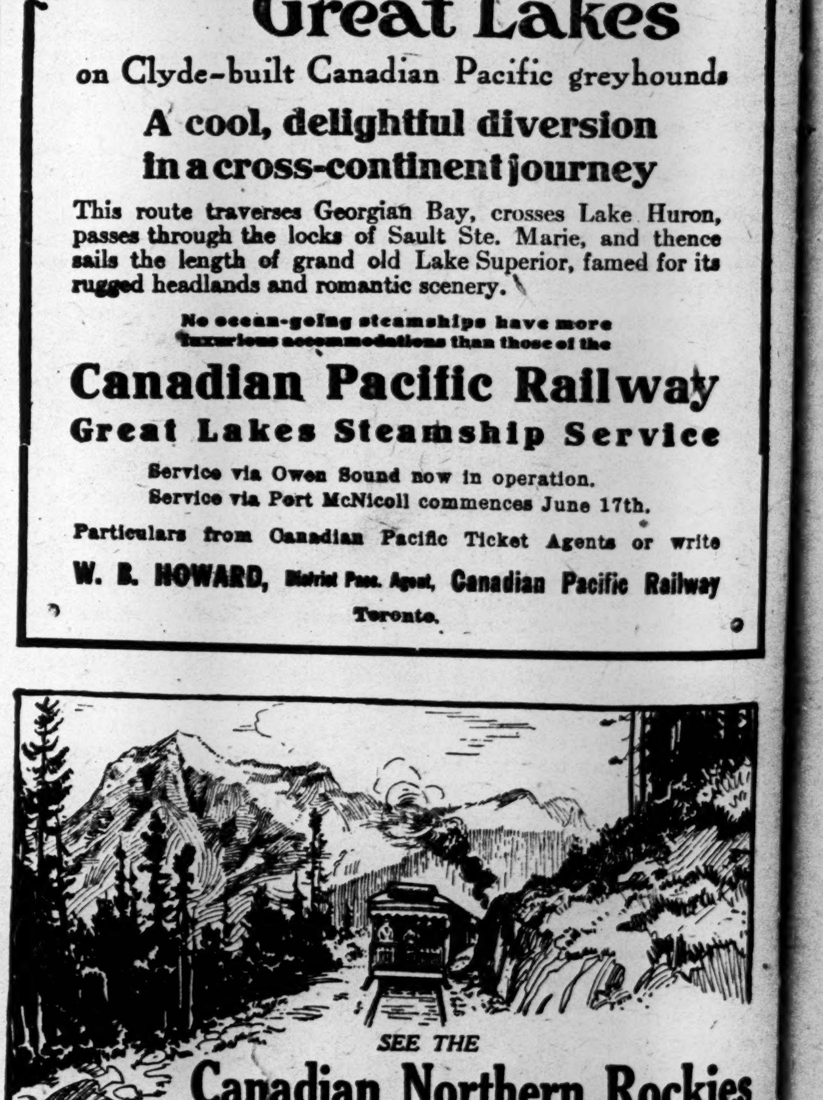

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